

EXHIBIT 1

08/31/2017 - Expert Opening Report of Guy A. Davis

Defendant.

Pursuant to Rule 26
of the Federal Rules of Civil Procedure

August 31, 2017

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SECTION A

QUALIFICATIONS

A. Qualifications

- 1) I, Guy A. Davis, am a Managing Director in the Restructuring and Litigation Services practice (“RLS”) of Protiviti Inc., an international risk-management consulting firm with more than 70 offices in over 20 countries and over 3,700 employees. I was a co-founder of PENTA Advisory Services, LLC (“PENTA”), the predecessor entity to Protiviti’s RLS practice, and currently lead Protiviti’s Richmond, Virginia office.
- 2) Over the past 28 years, I have performed a variety of forensic accounting and financial consulting services in bankruptcies, distressed environments, and other contexts, including in areas such as operations management, asset liquidation, debt restructuring, asset recovery, fraud investigation, and financial analysis. I have prepared plans of reorganization, business valuations, liquidation analyses, preference and fraudulent conveyance analyses, cash flow projections, and other related analyses typically required by debtors and creditors in insolvency or distressed situations. I have also served as acting Chief Financial Officer of debtor organizations, court-approved Chief Liquidation Officer, claims and disbursing agent, and as accountant to Chapter 7 and Chapter 11 trustees, creditor committees, and equity committees. I have also testified as an expert witness in multiple U.S. District, Bankruptcy, and state courts across the country.
- 3) During this time, I have served as a financial advisor and/or expert witness in many litigation matters, including fraudulent conveyance, preference recovery, breach of contract, D&O liability, accounting malpractice, patent infringement and reasonable royalty, employment dispute, Ponzi scheme, shareholder dispute, franchise termination, regulatory compliance, marital dissolution, and tax fraud. I have provided these services on behalf of corporations, partnerships, governmental agencies, individuals, class action plaintiffs, sureties, and financial institutions.
- 4) I have performed numerous business valuations for use in bankruptcy, estate planning, the purchase and sale of businesses, litigation matters, and loan collateral analysis. I have also assisted clients in raising debt and equity capital and purchasing or selling portions or all of a business enterprise. These services included developing comprehensive business plans, developing and evaluating financial analysis of economic returns, assessing management compatibility and operational synergies, evaluating stock versus asset transactions, and representing potential lenders and investors.

- 5) My financial consulting and valuation experience spans a broad range of industries, including, but not limited to, financial services, resort and hospitality, health care, professional sports, retail, banking, communications, wholesale distribution food service, equipment manufacturing, furniture rental, electric and nuclear power generation, insurance, pharmaceutical manufacturing, equipment leasing, steel fabrication, ship repair, heavy highway construction, and mining.
- 6) I am a Certified Public Accountant (CPA), a Certified Insolvency and Restructuring Advisor (CIRA), a Certified Fraud Examiner (CFE), and hold a Certification in Distressed Business Valuation (CDBV). I have a Masters Degree in Business Administration from Loyola College in Maryland and a Bachelors of Science in Business Administration (cum laude) from the University of Richmond with a concentration in Finance.
- 7) In 2007, I was inducted as a fellow into the American College of Bankruptcy (the “College”), an honorary association of bankruptcy and insolvency professionals, including distinguished judges, attorneys, law professors, U.S. trustees, and financial advisors. Nominees for induction to the College are invited to join based on the highest standards of professionalism and service to the profession.
- 8) I co-authored the Bankruptcy Tax and Accounting section of the Virginia CLE and the Virginia Law Foundation’s Bankruptcy Practice in Virginia publication. I also authored and presented “Mark-to-Market Accounting and FASB 157 – The Impact on the Current Financial Crisis” for the American College of Bankruptcy 2009 Annual Meeting in Washington D.C. Over the past 15 years, I have taught several continuing education courses to accountants and attorneys on the topics of bankruptcy, accounting, solvency, valuation, and forecasting techniques. A more detailed description of my experience and qualifications and a listing of my trial and deposition testimony experience are provided as Exhibit 7.

SECTION B

ASSIGNMENT

B. Assignment

- 9) Counsel for the Class Plaintiffs¹ have engaged Protiviti to provide financial advisory and litigation support services under my direction in connection with the above-captioned litigation. Specifically, Class Counsel have given Protiviti the following assignments:

#1: Sources of Capital – For the periods (a) from 2005 to the present, and (b) during the Class Period,² calculate defendant Zuffa, LLC’s (“Zuffa”) aggregate sources of capital, including, without limitation, proceeds received from operations (earnings before interest, taxes, depreciation, and amortization, or “EBITDA”), debt financing, sale of equity, and Zuffa investors.

#2: Uses of Capital - For the periods (a) from 2005 to the present, and (b) during the Class Period, calculate Zuffa’s uses of capital, including amounts Zuffa used to fund, *inter alia*, distributions to Zuffa equity holders, debt, interest payments, capital expenditures, acquisitions, and working capital requirements.

#3: Value to Equity Holders - For the periods (a) from 2005 to the present, and (b) during the Class Period, analyze Zuffa’s financial records to determine the aggregate amount Zuffa paid to, or the value of benefits Zuffa conferred upon, Zuffa equity holders.

#4: Value to Fighters - For the periods (a) from 2005 to the present, and (b) during the Class Period, analyze Zuffa’s financial records to determine the aggregate amount Zuffa paid to, or the value of benefits Zuffa conferred upon, its Bout Class³ and Identity Class⁴ fighters.

¹ Cung Le, Nathan Quarry, Jon Fitch, Brandon Vera, Luis Javier Vazquez, and Kyle Kingsbury (“Class Plaintiffs” or “Plaintiffs”).

² The Class Period technically spans from December 16, 2010 until the anticompetitive scheme alleged in the Consolidated Class Action Complaint ceases. However, due to data limitations, analyses of the Class Period in this report are limited to the period ending December 31, 2016.

³ All persons who competed in one or more live professional UFC-promoted MMA bouts taking place or broadcast in the United States during the Class Period. The Bout Class excludes all persons who are not residents or citizens of the United States unless the UFC paid such persons for competing in a bout fought in the United States.

⁴ Identity Class includes each and every UFC fighter whose identity was expropriated or exploited by the UFC, including in UFC licensed merchandise and/or UFC promotional materials, during the Class Period in the United States.

#5: Financial Capacity - For the periods (a) from 2005 to the present, and (b) during the Class Period, determine whether Zuffa, under the direction of its owners, board of directors, and/or senior management, had the financial capacity to pay more compensation to its fighters than the actual amounts paid.

#6: Acquisition Accounting - Determine if Zuffa's accounting treatment for non-compete agreements related to acquisitions from 2001 to 2011 is consistent with the recommended accounting treatment set forth in Zuffa's 2007 Intangible Asset Treatment Discussion Memorandum ("Intangible Asset Memo").⁵

⁵ The Intangible Asset Memo is a document that we understand was likely prepared by Zuffa in 2007. It examines the nature of the various intangible assets that Zuffa acquired in connection with its purchase of the UFC brand, World Extreme Cagefighting ("WEC"), and the World Fighting Alliance ("WFA").

SECTION C

FACTUAL BACKGROUND -
HISTORY OF ZUFFA, LLC AND THE UFC

C. Factual Background – History of Zuffa, LLC and the UFC

- 10) In 1993, Robert Meyrowitz formed the Ultimate Fighting Championship (“UFC”), which, at the time, was a “no holds barred,” unregulated fighting competition viewed by many as uncivilized and barbaric. At one time it was outlawed in thirty-six states.⁶
- 11) In 2001, Lorenzo and Frank Fertitta, owners of the Station casinos in Summerlin, Nevada, purchased the UFC through their company, Zuffa, LLC, for \$2 million. They retained Dana White to promote the fighters and the brand, and granted him a 10% equity interest in Zuffa.
- 12) From 2001 to 2005, Frank and Lorenzo Fertitta invested approximately \$36.4 million in Zuffa.⁷ After several years of modest revenue increases and operating losses, in 2006 Zuffa generated \$180 million in revenue and earned \$77 million in EBITDA (see Exhibit 1).
- 13) Beginning in 2006, Zuffa purchased several MMA organizations, including World Extreme Cagefighting (“WEC”), World Fighting Alliance (“WFA”), Pride Fighting Championship (“Pride”), Affliction, and Strikeforce Mixed Martial Arts.⁸ According to the Intangible Asset Memo, Zuffa purchased WEC and WFA solely to acquire their intangible assets, including non-compete agreements and the WEC brand.⁹
- 14) Between 2006 and 2016, Zuffa’s annual revenues increased to \$703 million, a compound annual growth rate of 14.6%. During the same time period, its EBITDA ranged from \$38 million to \$202 million per year (see Exhibit 1).

⁶ Matt Connelly, *New York To Legalize MMA: Why It Took So Long, And What It Means Going Forward*. Forbes, Mar. 23, 2016 (<https://www.forbes.com/sites/mattconnolly/2016/03/23/new-york-to-legalize-mma-why-it-took-so-long-and-what-it-means-going-forward/print/>).

⁷ Zuffa LLC Capital Contribution Summary as of 12/31/13 (ZFL-1062702, “Contributions” tab) and Houlihan Lokey’s Zuffa Valuation as of March 31, 2006 (ZFL-1677117).

⁸ Per Zuffa LLC’s audited financial statements.

⁹ Zuffa LLC Intangible Asset Treatment Discussion Memo (ZLF-1240584).

- 15) During this time period, Zuffa entered into several lending arrangements. Most of the proceeds were used to refinance existing debt.
- a) In 2006, Zuffa obtained a \$15 million revolving line of credit (the “2006 Revolver”) to fund its working capital needs.¹⁰
 - b) In 2007, Zuffa borrowed \$350 million (the “2007 Facility”), consisting of a \$325 million term loan (“2007 Term Loan”) and a \$25 million revolving line of credit (the “2007 Revolver”). Zuffa distributed \$250 million of the term loan proceeds to Lorenzo Fertitta, Frank Fertitta, and Dana White (collectively, the “Original Equity Holders”), and used the remainder to purchase Pride (Dream Stage Entertainment, Inc.) and refinance the 2006 Revolver.¹¹
 - c) In 2009, Zuffa entered into a new \$100 million term loan agreement (the “2009 Term Loan”), and distributed \$70 million (combined with the \$250 million distribution of 2007 Term Loan proceeds, the “Debt-Financed Distributions”) to Original Equity Holders. Zuffa used the remaining \$30 million, in part, to repay the outstanding 2007 Revolver.¹²
 - d) In 2012, Zuffa entered into a new \$60 million term loan (“2012 Term Loan”), \$49 million of which Zuffa used to repay the outstanding 2007 Revolver.¹³
 - e) In 2013, Zuffa refinanced the 2007 Revolver and the 2007, 2009, and 2012 Term Loans with:
 - a) a \$450 million term loan (the “2013 Term Loan”) and
 - b) a new \$60 million revolving line of credit (the “2013 Revolver” and collectively with the 2013 Term Loan, the “2013 Facility”).¹⁴
 - f) In 2014, Zuffa refinanced the 2013 Term Loan with a new \$479 million term loan (“2014 Term Loan”).¹⁵

¹⁰ Zuffa LLC’s 2006 and 2007 audited financial statements (ZFL 0000169-187 and ZFL 0000113-135).

¹¹ Zuffa LLC’s 2007 audited financial statements (ZFL 0000113-135).

¹² Zuffa LLC’s 2009 audited financial statements (ZFL 0000007-30).

¹³ Zuffa LLC’s 2012 audited financial statements (ZFL 0000188-220). Per Zuffa’s internally prepared debt amortization schedule (ZFL 1062702).

¹⁴ Zuffa LLC’s 2013 audited financial statements (ZFL 0000221-255).

¹⁵ Zuffa LLC’s 2014 audited financial statements (ZFL 0000136-168).

- 16) See Exhibit 2 for a profile of each of the aforementioned loans.
- 17) In 2009, due to Zuffa's growth, investors became interested in purchasing some or all of Zuffa's equity.¹⁶ Effective December 31, 2009, Flash Entertainment, a live events and entertainment organization based in the United Arab Emirates, with support from January Capital (collectively, with Flash Entertainment, "January Capital"), purchased 10% of Zuffa's equity for \$175 million (the "January Capital Investment").¹⁷ Zuffa received these proceeds in early 2010 and distributed 98.1% of the proceeds (\$172 million) to the Original Equity Holders.
- 18) Zuffa made distributions to the Original Equity Holders every year from 2005 to 2015 in amounts ranging from \$9 million to \$306 million.¹⁸ For six consecutive years, from 2007 to 2012, Zuffa distributed more to Original Equity Holders and January Capital than it reported in annual net income.¹⁹ In fact, the 2007 distribution (\$286 million) was not only greater than the reported net income (\$13 million), it was also greater than Zuffa's earned revenue (\$226 million) for that year. As stated previously, the 2007 distribution was financed by the 2007 Term Loan Zuffa had procured earlier in the year. During the Class Period (through December 31, 2015), Zuffa made a total of \$370 million in distributions to the Original Equity Holders and January Capital.
- 19) In addition to cash dividends, Zuffa conferred significant benefits upon the Original Equity Holders, including, *e.g.*, the use of several leased corporate jets²⁰ and the ongoing payment of interest on the Debt-Financed Distributions. Specifically between 2005 and 2016, Zuffa provided \$217 million of benefits to the Original Equity Holders, including \$129 million during the Class Period, as further explained in Sections D and E of this report.

¹⁶ Scott Hamm, *Online interest in UFC skyrockets while NASCAR, NFL and NHL fall*, Nielsen, Jul. 8, 2009 (<http://www.nielsen.com/us/en/insights/news/2009/online-interest-in-ufc-skyrockets-while-nascar-nfl-and-nhl-fall-2.html>).

¹⁷ Zuffa LLC's 2009 audited financial statements (ZFL 0000007-30) and *Abu-Dhabi-owned Flash Entertainment buys 10 percent of UFC's parent company*, MMA Junkie, Jan. 12, 2010 (<http://mmajunkie.com/2010/01/abu-dhabi-owned-flash-entertainment-buys-10-percent-of-ufcs-parent-company>).

¹⁸ We have not received information about distributions to equity in 2016.

¹⁹ In total, in eight of the eleven years during the period from 2005 to 2015, Zuffa's distributions to shareholders were greater than the company's reported net income. Zuffa's distributions to shareholders were greater than the company's reported net income a minimum of three times during the Class Period.

²⁰ Zuffa's corporate jets were leased from Fertitta controlled entities.

- 20) In June 2016, Original Equity Holders and January Capital (collectively the “Sellers”) sold their membership interests in Zuffa to WME|IMG for \$4.025 billion. Under the terms of the sale, the Sellers received:
- a) a cash payment of \$3.45 billion;
 - b) a roll-over 19% equity in the new UFC under WME|IMG’s control valued at \$325 million;²¹ and,
 - c) potential earn-out payments based on 2017 and 2018 financial performance totaling \$250 million.
- 21) The UFC continues to operate today under the direction of Dana White and WME|IMG ownership and is the largest MMA promoter in North America.

²¹ Securities Purchase Agreement and Disclosure Schedules (RAINE 0016835-17717) and Goldman Sachs Offering Memorandum (ZFL 2649918-89; Bidarian Deposition Exhibit 12).

SECTION D

SUMMARY OF CALCULATIONS AND OPINIONS

D. Summary of Calculations and Opinions

- 22) I have completed the assignment set out in Section B above with the assistance of my colleagues and staff, and have derived the following calculations and opinions:

#1: Sources of Capital - From 2005 through 2016,²² Zuffa had four sources of capital: (i) cash from operations (EBITDA), (ii) debt proceeds from third party lenders, (iii) proceeds from the January Capital Investment, and (iv) equity contributions, totaling \$1.95 billion (excluding proceeds from the WME-IMG sale). Of this amount, \$872 million was generated during the Class Period (as shown below):

Table 1: Sources of Capital

\$ in 000s

	Pre-Class Period Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
EBITDA	\$ 476,534	\$ 773,654	\$ 1,250,187
Debt Financing [1]	425,000	94,000	519,000
Sale of Equity	175,741	-	175,741
Equity Contributions	3,148	4,676	7,824
Total Sources of Capital	<u>\$ 1,080,423</u>	<u>\$ 872,330</u>	<u>\$ 1,952,752</u>

[1] Excludes refinancing proceeds of \$895 million. See Table 5.

#2: Uses of Capital - From 2005 through 2016 and during the Class Period, Zuffa used the majority of its capital to fund stockholder distributions and pay principal and interest on the debt incurred, in large part, to make distributions to shareholders as illustrated below:

²² Our analysis incorporates Zuffa's financial data through December 31, 2016 unless otherwise indicated. The 2017 financial data provided was incomplete.

Table 2: Uses of Capital

\$ in 000s

	Pre-Class Distributions Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
Shareholder Distributions	\$ 868,920	\$ 370,240	\$ 1,239,159
Principal Payments	11,563	28,898	40,460
Interest Payments	57,544	110,781	168,325
Capital Expenditures	23,415	48,490	71,905
Corporate Transactions	67,978	147,747	215,725
Working Capital / Other	51,004	166,175	217,179
Total Uses of Capital	<u>\$ 1,080,423</u>	<u>\$ 872,330</u>	<u>\$ 1,952,752</u>

#3: Value to Equity Holders - From 2005 to 2016,²³ Zuffa distributed more than \$1.45 billion in dividends and other value to the Original Equity Holders and January Capital, of which \$499 million was paid during the Class Period. In addition, the Original Equity Holders and January Capital collectively received approximately \$3.77 billion from the sale of Zuffa to WME|IMG in 2016. The total value received by the Original Equity Holders and January Capital (combined) from 2005 to 2016 was approximately \$5.23 billion as illustrated below:

Table 3: Summary of Value to Equity

\$ in 000s

	Pre-Class Distributions Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016		Total Period Jan. 1, 2005 - Dec. 31, 2016
		Distributions	WME Proceeds	
Lorenzo Fertitta	\$ 387,338	\$ 150,269	\$ 1,526,620	\$ 2,064,227
Frank Fertitta	387,355	150,269	1,526,620	2,064,245
Dana White	82,028	33,393	339,249	454,671
January Capital	12,198	36,308	376,943	425,449
	868,920	370,240	3,769,432 [1]	5,008,592
Other Value Conferred	88,789	128,883	-	217,672
	<u>\$ 957,709</u>	<u>\$ 499,122</u>	<u>\$ 3,769,432</u>	<u>\$ 5,226,263</u>

[1] Excludes \$5.6 million paid to Zuffa Pipco I, LLC, an employee stock ownership plan created by Zuffa in 2013.

²³ We do not have available to us information about distributions to equity in 2016 prior to the WME|IMG sale.

#4: Value to Fighters - From 2005 to 2016, Zuffa distributed approximately \$846 million in compensation and other benefits to 1,556 fighters, including \$575 million paid to 1,177 fighters during the Class Period, as illustrated below:

Table 4: Summary of Value to Fighters

\$ in 000s

	Pre-Class Period Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
Bout Class Compensation	\$ 246,624	\$ 514,481	\$ 761,104
Identity Class Licenses and Royalties [1]	1,805	18,169	19,975
Other Fighter Benefits	23,002	41,858	64,860
	<u>\$ 271,431</u>	<u>\$ 574,508</u>	<u>\$ 845,939</u>

[1] Identity Class data not provided prior to 2009.

#5: Financial Capacity - From 2005 to 2016, and at all times during the Class Period, Zuffa had the financial wherewithal to pay its fighters substantially more than the amounts it actually paid. Zuffa's exceptional revenue growth, profit margins, and borrowing capacity afforded management and equity holders the ability to forgo a portion of their discretionary distributions, excessive aviation expenses, and management fees to pay fighters a higher compensation. This hypothetical shift to increased fighter compensation would have had no impact on Zuffa's ability to honor its financial obligations to its non-fighter employees or third-party creditors. Zuffa also had the financial wherewithal to borrow funds to increase compensation paid to fighters.

#6: Acquisition Accounting - Zuffa's accounting treatment for the non-compete intangible assets acquired in the WEC, WFA, Pride, and Strikeforce acquisitions is consistent with the recommended accounting treatment set forth in the Intangible Asset Memo.

SECTION E

ANALYSIS AND FINDINGS

E. Analysis and Findings

- 23) To complete our assignment, Protiviti, under my direction, reviewed several documents produced in discovery, including Zuffa's audited financial statements, internal profit and loss reports, compensation and shareholder distribution workpapers, debt amortization schedules, and other accounting and financial documents. We also reviewed deposition transcripts, select e-mail correspondence, and confidential offering memorandums, as well as conducted independent research. A detailed list of our documents relied upon is included in Exhibit 6 to this report.
- 24) The narrative and tables below provide a description of the analyses performed and the foundation of my conclusions.

E.1 Historical Sources of Capital

- 25) Zuffa's three main sources of capital leading up to the 2016 sale of Zuffa's stock to WME|IMG were: (a) cash flow from operations earned each year (EBITDA), (b) debt proceeds from third party lenders, and (c) proceeds from the January Capital Investment:

a) Cash from Operations (EBITDA)

Cash from operations, or EBITDA, is a widely used measure of the cash a company internally generates that is available to service debt, invest in capital assets, and make distributions to shareholders. The computation of EBITDA starts with the reported net income of the company and adjusts that amount by adding back interest expense, tax expense, depreciation, amortization, and other non-recurring expenses, if any.

Zuffa consistently generated significant EBITDA each year as illustrated in Exhibits 1 and 1a. From 2005 to 2016, Zuffa generated aggregate EBITDA of \$1.25 billion. During the Class Period through December 31, 2016, Zuffa generated aggregate EBITDA of \$774 million.

b) Debt Financing

As discussed earlier, Zuffa entered into multiple debt financings from 2005 to 2016, most of which Zuffa used to repay or refinance existing debt. In total, the net term debt proceeds after refinancing were \$519 million, as illustrated below.

Table 5: Uses of Term Debt

\$ in 000s

Year	Total Term Proceeds	Uses of Each Debt Issuance				
		Refinance	Revolver Repay/(Borrow)	Distributions to Equity	Acquisitions	Working Cap/ Other
2007	\$ 325,000	\$ -	\$ 15,000	\$ 250,000	\$ 56,378	\$ 3,622
2009	100,000	-	24,500	70,000	-	5,500
2012	60,000	-	49,000	-	-	11,000
2013	450,000 [1]	450,000	(13,425)	-	-	13,425
2014	479,500 [2]	445,500	27,000	-	-	7,000
Total	1,414,500	895,500	102,075	320,000	56,378	40,547
Less Refinance	(895,500)	(895,500)	-	-	-	-
Net Debt Financing	\$ 519,000	\$ -	\$ 102,075	\$ 320,000	\$ 56,378	\$ 40,547

[1] Proceeds of \$450 million from the term loan and a portion of the \$28.5 million revolver draw were used to refinance 2007, 2009, and 2012 term debt (\$463.4 million)

[2] In 2014, the 2013 debt was refinanced at a lower rate (4.5% to 3.75%), saving 75 basis points

c) January Capital Investment

In December 2009, January Capital and Zuffa consummated the January Capital Investment, a transaction wherein January Capital received a 10% equity interest in Zuffa in exchange for \$175.7 million.²⁴ Zuffa received \$175.5 million in January 2010 and the remaining \$271,000 in April 2010.²⁵

- 26) Zuffa received other immaterial equity contributions during the relevant time period which, when added to the aforementioned sources, results in total sources of capital of \$1.95 billion, of which \$872 million was generated during the Class Period, as illustrated below.

²⁴ Zuffa LLC's 2009 audited financial statements (ZFL 0000007-30).

²⁵ Zuffa LLC's 2009 audited financial statements (ZFL 0000007-30) and Zuffa's internally prepared Debt Financed Distributions excel file (ZFL 1062702).

Table 6: Sources of Capital

\$ in 000s

	Pre-Class Period Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
EBITDA	\$ 476,534	\$ 773,654	\$ 1,250,187
Debt Financing [1]	425,000	94,000	519,000
Sale of Equity	175,741	-	175,741
Equity Contributions	3,148	4,676	7,824
Total Sources of Capital	<u>\$ 1,080,423</u>	<u>\$ 872,330</u>	<u>\$ 1,952,752</u>

[1] Excludes refinancing proceeds of \$895 million. See Table 5.

E.2 Historical Uses of Capital

- 27) From 2005 through 2016, Zuffa used the capital it received for a variety of purposes including, but not limited to, funding stockholder distributions, paying principal and interest on the debt incurred, in large part, to make dividend distributions to the Original Equity Holders, and acquiring other MMA organizations. Specifically, the uses of capital for the Class Period and the total period analyzed are as follows:

Table 7: Uses of Capital

\$ in 000s

	Pre-Class Distributions Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
Shareholder Distributions			
Lorenzo Fertitta	\$ 387,338	\$ 150,269	\$ 537,607
Frank Fertitta	387,355	150,269	537,625
Dana White	82,028	33,393	115,422
January Capital	12,198	36,308	48,506
	<u>868,920</u>	<u>370,240</u>	<u>1,239,159</u>
Principal Payments	11,563	28,898	40,460
Interest Payments	57,544	110,781	168,325
Capital Expenditures	23,415	48,490	71,905
Corporate Transactions	67,978	147,747	215,725
Working Capital / Other	51,004	166,175	217,179
Total Uses of Capital	<u>\$ 1,080,423</u>	<u>\$ 872,330</u>	<u>\$ 1,952,752</u>

- 28) As illustrated above, during the Class Period and the total period analyzed, a majority of Zuffa's capital was used to make shareholder distributions and to service the debt incurred, in large part, to make dividend distributions.

E.3 Value to Zuffa Equity Holders

- 29) From 2005 to 2016, Zuffa made distributions to equity holders in the form of direct cash disbursements (dividends) and other conferred value (benefits).

Cash Distributions to Zuffa Equity Holders

- 30) As previously illustrated on Table 2, Zuffa paid \$1.2 billion of cash dividends to Zuffa shareholders from 2005 to 2015, and \$370 million during the Class Period (through December 31, 2015). Zuffa made its first equity distribution to the Original Equity Holders in 2005 in the amount of \$9.1 million. In that same year, Zuffa reported only \$6.3 million in net income and received equity contributions of \$3.1 million. From 2006 forward, Zuffa adopted a very aggressive dividend policy as evidenced by its cash distributions to the Original Equity Holders and January Capital, together ranging from \$44 million to \$306 million annually.
- 31) The distributions Zuffa made to the Original Equity Holders and January Capital (combined) were based on the percentage ownership each shareholder held in Zuffa at the time of the distribution. Originally, the Fertittas, or entities controlled by them, owned 90% of Zuffa's stock and Dana White owned 10%. In December 2009, January Capital acquired 10% of Zuffa's stock which proportionately diluted Original Equity Holders' ownership, as follows:

Table 8: Zuffa Ownership History

	<u>Zuffa Original Ownership</u>	<u>After 2009 Jan. Cap. Investment</u>
Lorenzo Fertitta	45.0%	40.5%
Frank Fertitta	45.0%	40.5%
Dana White	10.0%	9.0%
January Capital	0.0%	10.0%
	<u>100.0%</u>	<u>100.0%</u>

32) From 2005 through 2015,²⁶ Zuffa's distributions to shareholders were as follows:

Table 9: Distributions to Equity

\$ in 000s

	<u>L. Fertitta</u>	<u>F. Fertitta</u>	<u>D. White</u>	<u>January Capital</u>	<u>Total</u>
Pre-Class Period					
2005	\$ 4,550	\$ 4,550	\$ -	\$ -	\$ 9,100
2006	30,093	30,093	3,650	-	63,836
2007	128,585	128,585	28,575	-	285,744
2008	32,716	32,716	7,270	-	72,703
2009	64,873	64,891	14,418	-	144,182
Jan.1-Dec.15 (2010)	<u>126,521</u>	<u>126,521</u>	<u>28,116</u>	<u>12,198</u>	<u>293,355</u>
	387,338	387,355	82,028	12,198	868,920
Class Period					
Dec.16-31 (2010)	5,099	5,099	1,133	1,169	12,500
2011	39,349	39,349	8,744	9,716	97,158
2012	27,856	27,860	6,190	6,136	68,042
2013	29,196	29,192	6,488	7,245	72,121
2014	17,953	17,953	3,990	4,433	44,329
2015	<u>30,816</u>	<u>30,816</u>	<u>6,848</u>	<u>7,609</u>	<u>76,089</u>
	150,269	150,269	33,393	36,308	370,240
Total Period	<u>\$ 537,607</u>	<u>\$ 537,625</u>	<u>\$ 115,422</u>	<u>\$ 48,506</u>	<u>\$ 1,239,159</u> ^[1]

[1] Excludes \$8K distributed to Zuffa PIPCO 1, LLC, an employee stock ownership plan created by Zuffa in 2013.

33) Notably, Zuffa's cumulative net income from 2005 to 2015 was insufficient to fund the distributions Zuffa paid to the Original Equity Holders and January Capital. As previously mentioned, Zuffa financed \$320 million of distributions made to shareholders using loan proceeds obtained in 2007 and 2009. Zuffa also distributed virtually all (\$172 million) of the 2010 January Capital proceeds to the Original Equity Holders. The balance of the distributions Zuffa paid to the Original Equity Holders (\$745 million) was funded by Zuffa's operating cash flow.

²⁶ We do not currently have information on distributions to the Original Equity Holders or January Capital in 2016.

Other Value Conferred to Zuffa Equity Holders

- 34) In addition to the cash distributions, Zuffa also conferred value to the Original Equity Holders by funding:
- a) interest payments on the Debt-Financed Distributions;
 - b) excessive aviation expenses; and,
 - c) management fees to the Fertittas or their related entities.

Interest Payments

- 35) As discussed earlier, Zuffa borrowed \$425 million in 2007 and 2009 in order to, in part, make the Debt-Financed Distributions (\$320 million) to the Original Equity Holders. In subsequent years, Zuffa paid interest on Debt Financed Distributions and any new loans that refinanced the original borrowings. The interest payments from 2007 to 2016 related to the Debt Financed Distributions were approximately \$116 million, which includes \$72 million paid during the Class Period, as illustrated below. See also Exhibit 3 for a detailed debt amortization schedule.

Table 10: Interest Payments on Debt-Financed Distributions
\$ in 000s

	Allocated Term Loan Interest				
Year	2007	2009	2013	2014	Total
Pre-Class Period					
2005	\$ -	\$ -	\$ -	\$ -	\$ -
2006	-	-	-	-	-
2007	10,206	-	-	-	10,206
2008	15,328	-	-	-	15,328
2009	6,182	1,220	-	-	7,402
Jan.1-Dec.15 (2010)	5,316	5,362	-	-	10,678
	37,031	6,582	-	-	43,614
Class Period					
Dec.16-31 (2010)	492	501	-	-	994
2011	5,869	5,815	-	-	11,684
2012	5,639	5,814	-	-	11,452
2013	834	888	12,460	-	14,181
2014	-	-	2,888	8,854	11,742
2015	-	-	-	11,130	11,130
2016	-	-	-	11,017	11,017
	12,834	13,018	15,347	31,001	72,200
Total Period	\$ 49,865	\$ 19,600	\$ 15,347	\$ 31,001	\$ 115,814

Aviation Expenses

- 36) Zuffa paid an average of \$9 million per year from 2005 to 2016 to lease several corporate jets from entities controlled by the Fertittas. In total, Zuffa paid \$109 million in aviation expenses, including \$63 million during the Class Period, for five corporate jets, including three Gulfstream jets (models GIII, GIV, G-IV-II), a Bombardier Global Express jet, and a Boeing Business Jet. These corporate jets were almost exclusively used by the Original Equity Holders for business and personal travel.²⁷
- 37) In preparing its 2016 offering memorandum related to the sale of Zuffa to WME|IMG, Goldman Sachs (the investment banker engaged to sell Zuffa) prepared a pro forma income statement to allow investors to consider Zuffa's normalized earning capacity in the hands of an independent owner, free of excessive related-party transactions. In preparing this analysis, Goldman Sachs reduced Zuffa's actual aviation expense by between \$5 million and \$8 million, implying a normal level of aviation expense of between \$1.2 and \$1.8 million per year.²⁸ Accordingly, I have calculated the excessive value provided to the Original Equity Holders from 2005 to 2016 to be approximately \$91 million, and \$54 million during the Class Period, based on a normalized aviation expense of \$1.5 million per year.

²⁷ Fertitta compilation exhibit (ZFL2699693) at rows 499-504. See also Brent Richards deposition at p 226:14 noting that T&E in Exhibit 4, page 2, (WME_Zuffa_00001672-1673), refers to WME's belief that it could eliminate \$5m of travel and expenses from the company, that "the execs travelled lavishly," and that cost savings was a driver of the acquisition.

²⁸ Goldman Sachs Confidential Information Memorandum, p. 68. \$1.45 Billion Senior Secured Credit Facilities (ZFL-2649918).

Table 11: Aviation Expenses

\$ in 000s

<u>Year</u>	<u>Total Aviation Expense</u> [1]	<u>Goldman Sachs Addback</u> [2]	<u>Necessary Aviation Expense</u>	<u>Excess Aviation Expense</u>
Pre-Class Period				
2005	\$ 2,358		\$ 1,500	\$ 858
2006	4,955		1,500	3,455
2007	6,633		1,500	5,133
2008	8,031		1,500	6,531
2009	11,720		1,500	10,220
Jan.1-Dec.15 (2010)	<u>12,023</u>		<u>1,434</u>	<u>10,589</u>
	45,721		8,934	36,786
Class Period				
Dec.16-31 (2010)	551		66	485
2011	11,527		1,500	10,027
2012	13,834		1,500	12,334
2013	14,863		1,500	13,363
2014	9,280	8,000	1,280	8,000
2015	6,843	5,000	1,843	5,000
2016	<u>6,441</u>		<u>1,500</u>	<u>4,941</u>
	<u>63,338</u>		<u>9,189</u>	<u>54,149</u>
Total Period	<u>\$ 109,059</u>		<u>\$ 18,123</u>	<u>\$ 90,936</u>

[1] Per internal financial statements.

[2] Available for 2014 and 2015 only (ZFL-2649918.00069).

Management Fees

- 38) Zuffa paid a management fee to the Fertittas, or their management company, from 2005 through 2015.²⁹ The payments ranged from \$500,000 to \$2.7 million per year and total \$10.9 million. During the Class Period, Zuffa paid total management fees of \$2.5 million, or \$500 thousand per year. These fees are separate from the salary and bonuses paid to Dana White (President), Lorenzo Fertitta (CEO), and other Zuffa executives.

²⁹ Management fee data for the months preceding the sale to WME|IMG were not produced.

Total Other Value Conferred to Equity Holders

- 39) In total, Zuffa conferred other value from 2005 to 2016 of approximately \$217 million, including \$129 million during the Class Period, to the Original Equity Holders in addition to the cash distributions.

Table 12: Other Value to Equity*\$ in 000s*

<u>Year</u>	<u>Interest Payments</u>	<u>Aviation Expense</u>	<u>Management Fee</u>	<u>Total</u>
Pre-Class Period				
2005	\$ -	\$ 858	\$ -	\$ 858
2006	-	3,455	1,000	4,455
2007	10,206	5,133	2,435	17,774
2008	15,328	6,531	2,748	24,607
2009	7,402	10,220	1,493	19,115
Jan.1-Dec.15 (2010)	<u>10,678</u>	<u>10,589</u>	<u>713</u>	<u>21,980</u>
	43,614	36,786	8,389	88,789
Class Period				
Dec.16-31 (2010)	994	485	33	1,512
2011	11,684	10,027	500	22,211
2012	11,452	12,334	500	24,286
2013	14,181	13,363	500	28,044
2014	11,742	8,000	500	20,242
2015	11,130	5,000	500	16,630
2016	<u>11,017</u>	<u>4,941</u>	<u>-</u>	<u>15,958</u>
	<u>72,200</u>	<u>54,149</u>	<u>2,533</u>	<u>128,883</u>
Total Period	<u>\$ 115,814</u>	<u>\$ 90,936</u>	<u>\$ 10,922</u>	<u>\$ 217,672</u>

WME|IMG Sale Proceeds

- 40) As previously discussed, in June 2016 WME|IMG purchased the stock of Zuffa for \$4.025 billion. Under the terms of the stock purchase agreement, the Original Equity Holders and January Capital received:
- a cash payment of \$3.45 billion;
 - a roll-over 19% equity in the new UFC under WME|IMG's control valued at \$325 million; and,
 - potential earnout payments based on 2017 and 2018 financial performance totaling \$250 million.

- 41) It is presently unknown whether the milestones for the \$250 million earnout for 2017 and 2018 will be met. Therefore, we conservatively ascribe no value to that component of the sale. Consequently, we have included only the \$3.77 billion in cash and equity in our calculation of value to equity holders.³⁰

Total Value Conferred to Equity Holders

- 42) In aggregate, from 2005 to 2016, the Original Equity Holders and January Capital received more than \$5.22 billion. Of this total amount, the Original Equity Holders and January Capital received \$4.27 billion during the Class Period as shown in the table below.

Table 13: Total Value to Equity
\$ in 000s

	Pre-Class Period Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
Cash Distributions	\$ 868,920	\$ 370,240	\$ 1,239,159
Other Value	88,789	128,883	217,672
Sales Proceeds from WME	-	3,769,432	3,769,432
	<u>\$ 957,709</u>	<u>\$ 4,268,555</u>	<u>\$ 5,226,263</u>

E.4 Compensation and Benefits Paid to Fighters

- 43) Zuffa paid its fighters primarily for participating in UFC-promoted live MMA events (“Bout Related Compensation”). Zuffa also paid royalties and license fees to certain current and/or former fighters for the use of fighters’ names or likenesses in connection with UFC licensed merchandise or UFC promotional material (“UFC Identity Payments”). Our analysis of fighter compensation addresses each compensation type separately.

Bout Related Compensation

- 44) From 2005 to 2016, Zuffa contracted with 1,556 fighters to compete in UFC-sponsored live MMA events, including 1,177 fighters during the Class Period. Each event typically featured seven to

³⁰ Excludes payment of \$5.6 million to Zuffa Pipco 1, LLC, an employee stock ownership plan created by Zuffa in 2013.

twelve bouts and culminated with the Main Card bout (or bouts) in which top fighters in the division would compete, often for the division title.

- 45) In most instances, each fighter would be paid an amount to “show” and the winner would receive additional compensation as part of the purse. In certain instances, Zuffa paid fighters other (or alternative) amounts for what it characterized as the “Knockout of the Night,” “Fight of the Night,” “Submission of the Night,” and “Performance of the Night” or attaining Pay-per-View revenue thresholds. During the Class Period, “show” compensation paid per fighter was as low as \$750 per fight. The median “show” compensation during the Class Period was \$14,000 per fight.
- 46) Under my direction, Protiviti conducted an investigation of the Bout Related Compensation paid by Zuffa to its fighters from 2005 to 2016 and isolated payments made to the Bout Class during the Class Period. The results of our investigation are as follows:

Table 14: Bout Related Compensation
\$ in 000s

Year	Number of Fighters	Show	Win	Performance/ Discretionary	Letter of Agreement / Signing Bonus	PPV	Total
Pre-Class Period							
2005	102	\$ 2,072	\$ 969	\$ 47	\$ -	\$ 519	\$ 3,606
2006	174	5,334	1,685	6,770	4,700	8,333	26,821
2007	270	9,491	2,831	7,958	13,496	8,233	42,008
2008	301	11,226	5,106	8,971	8,243	10,108	43,653
2009	333	14,177	5,823	12,056	15,403	7,719	55,177
Jan.1-Dec.15 (2010)	340	17,346	6,650	14,612	27,921	8,830	75,359
		59,644	23,063	50,413	69,763	43,740	246,624
Class Period							
Dec.16-31 (2010)	22	210	103	50	-	-	363
2011	485	22,314	7,322	13,563	23,674	4,871	71,745
2012	449	20,954	7,471	17,578	12,830	4,236	63,069
2013	452	27,321	8,921	15,984	23,700	7,300	83,226
2014	565	24,454	10,849	19,540	6,102	1,253	62,198
2015	576	35,073	12,086	20,706	16,631	12,802	97,298
2016	555	59,553	13,146	14,467	21,185	28,233	136,583
		189,878	59,897	101,887	104,122	58,696	514,481
		\$ 249,522	\$ 82,961	\$ 152,301	\$ 173,885	\$ 102,436	\$ 761,104

- 47) The compensation statistics above include all fighters with whom the UFC contracted directly and those that were acquired by acquisition of other MMA promoters. A more detailed statistical analysis of the UFC fighters is provided in Exhibit 4.

UFC Identity Payments

- 48) Zuffa made UFC Identity Payments periodically throughout each calendar year to certain fighters, or their related agency or company, for event sponsorships, video game sales and merchandise sales that incorporated the name or likeness of the UFC fighter. Under my direction, Protiviti conducted an investigation to determine the aggregate amount of UFC Identity Payments Zuffa made from 2009 to 2016 and isolated the UFC Identity Payments made during the Class Period.³¹ The results of our analysis are as follows:

Table 15: UFC Identity Payments*\$ in 000s*

<u>Year</u>	<u>Number of Fighters</u>	<u>Sponsorship</u>	<u>Video Games</u>	<u>Merchandise</u>	<u>Outfitting</u>	<u>Total</u>
Pre-Class Period						
2009	69	\$ 7	\$ 638	\$ 34	\$ -	\$ 678
Jan.1-Dec.15 (2010)	108	127	170	830	-	1,127
		134	808	864	-	1,805
Class Period						
Dec.16-31 (2010)	2	-	18	13	-	31
2011	74	20	-	300	-	320
2012	183	1,118	1,021	240	-	2,380
2013	108	799	12	79	-	889
2014	113	585	3	55	-	643
2015	492	1,047	815	92	2,919	4,873
2016	587	1,771	7	345	6,911	9,034
		5,340	1,876	1,123	9,830	18,169
		<u>\$ 5,474</u>	<u>\$ 2,684</u>	<u>\$ 1,987</u>	<u>\$ 9,830</u>	<u>\$ 19,975</u>

Other Value Conferred by Zuffa to UFC Fighters

- 49) To be conservative, Protiviti's analysis also included an investigation to determine the amount Zuffa paid for products or services that may have, at least in part, conferred some benefit to fighters (the "Fighter Benefits"). We determined all such amounts in Zuffa's accounting records were incorporated into 18 expense categories. These accounts captured expenses such as medical, insurance, and other fighter costs. We also determined that the 18 expense categories included the UFC Identity Payments (discussed above). Therefore, to compute the Fighter Benefit amounts, we deducted the specific UFC Identity Payments from the total pool of fighter expenses reported in

³¹ At this time, we have only received information on UFC Identity Payments from 2009 to 2015. The analysis will be updated should we be provided the UFC Identity Payments data for 2016.

the 18 expense categories. From 2005 to 2016, Zuffa paid total Fighter Benefits of \$65 million, including \$42 million paid during the Class Period (see Exhibit 5).

Total Direct Payments and Value Conferred to Fighters

- 50) In aggregate, from 2005 to 2016, and during the Class Period, Zuffa paid the following amounts, or conferred the following benefits, directly to its UFC fighters.

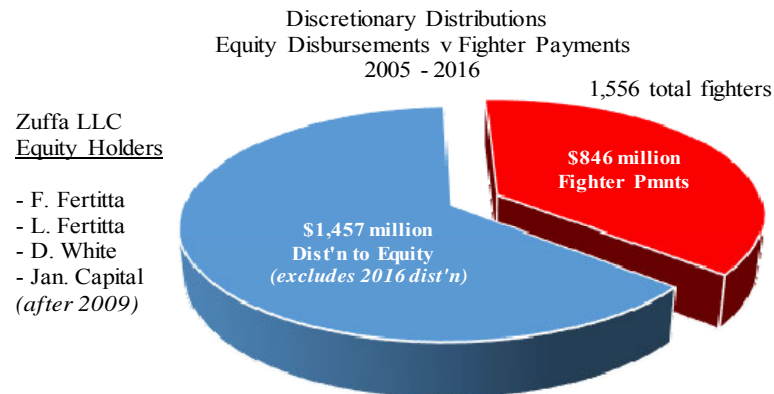
Table 16: Summary of Value to Fighters
\$ in 000s

	Pre-Class Period Jan. 1, 2005 - Dec. 15, 2010	Class Period Dec. 16, 2010 - Dec. 31, 2016	Total Period Jan. 1, 2005 - Dec. 31, 2016
Bout Class Compensation	\$ 246,624	\$ 514,481	\$ 761,104
Identity Class Licenses and Royalties [1]	1,805	18,169	19,975
Other Fighter Benefits	23,002	41,858	64,860
	<u>\$ 271,431</u>	<u>\$ 574,508</u>	<u>\$ 845,939</u>

[1] Identity Class data not provided prior to 2009.

E.5 Zuffa's Financial Capacity to Enhance Compensation to Fighters

- 51) From 2005 to 2016, and at all times during the Class Period, Zuffa had the financial wherewithal to pay its fighters substantially more than the amounts actually paid. Zuffa's exceptional revenue growth, profit margins, and borrowing capacity afforded management and equity holders the ability to forgo all or a portion of their discretionary distributions, excessive aviation expenses, and management fees to pay fighters more. This hypothetical shift to enhanced fighter compensation would have had no impact on Zuffa's ability to honor its financial obligations. Furthermore, Zuffa had the financial wherewithal to borrow funds to increase the compensation paid to fighters.

Table 17: Discretionary Distributions

E.6 Zuffa's Accounting Treatment of Intangible Assets

- 52) Beginning in 2001, Zuffa acquired several organizations that were directly or indirectly related to MMA fight promotion. In five of Zuffa's acquisitions, including its acquisition of the UFC, Zuffa allocated all or a portion of the purchase price to an intangible asset designed to capture the value of the non-compete agreements executed by the sellers in connection with the transactions. Generally, non-compete agreements prohibit the principals of selling organizations from engaging in practices that would compete with the buyer. The principals of the MMA organizations acquired by Zuffa signed non-compete agreements with terms ranging from three to seven years. Specifically, the relevant acquisition history is summarized in the following table:

Table 18: Intangible Asset Summary
\$ in 000s

Year	Company Acquired	Purchase Price	Non-Compete Agreement	
			Amount Allocated	Term
2001	UFC	\$ 2,000	\$ 250	5 Years
2006	World Extreme Cagefighting	1,500	125	3 Years
			125	5 Years
2006	World Fighting Alliance	3,200	3,200	7 Years
2007	Pride Fighting Championship	56,378	9,000	7 Years
2011	Strikeforce Mixed Martial Arts	34,800	250	3 Years

- 53) In 2007, it is our understanding that Zuffa more than likely prepared the Intangible Asset Memo, which provides the rationale for the accounting treatment of Zuffa's acquisition activity through December 31, 2006. The memo clarifies the nature of the acquired assets (tangible and intangible) and explains why, for example, in 2006, 100% of the World Fighting Alliance acquisition was allocated to a non-compete intangible asset.

"The purpose of Zuffa's acquisition of the small and little known WFA was a defensive strategy to eliminate a second tier competitive brand operating in the Las Vegas market...."

"The company believes that it is appropriate that the entire WFA purchase price, including the portion not specified in the purchase agreement as a non-compete component be classified as non-compete assets and amortized over a period of 7 years consistent with the term of the specified non-compete covenants. The reason for the acquisition was to control the WFA brand and prevent it from competing with the WEC and UFC. Zuffa has no current intention of exploiting the WFA brand or conducting events in connection with the brand in the future. In the case of the WFA acquisition, there was no transfer of tangible personal property, they had no ongoing TV and/or home video distribution contracts, and there was no meaningful value attributable to any of the fighter contracts that the WFA held prior to the purchase."

- 54) Zuffa recorded the value of the acquired non-compete agreements on its balance sheet and amortized these balances over the life of the non-compete agreements.³²
- 55) I compared the recommended accounting treatment of the acquired non-compete agreements as set forth in the Intangible Asset Memo³³ with the financial statements prepared by Zuffa from 2004 to 2015 (and audited by Ernst & Young) and determined that Zuffa's accounting treatment was consistent with the recommendations set forth in the Intangible Asset Memo. I further noted that

³² Except for the Pride non-compete agreement. On December 31, 2008, Zuffa concluded that the Pride non-compete agreement was impaired and recorded an impairment charge of \$6.9 million, or the remaining net carrying value of the agreement.

³³ Intangible Asset Memo, *supra* note 9.

Ernst & Young made no adjustments to Zuffa's accounting treatment of the acquired non-compete intangible assets or their subsequent amortization.³⁴

³⁴ Zuffa LLC's annual audit reports for 2006 (ZFL 0000169-87), 2007 (ZFL 0000113-135), 2008 (ZFL 0000064-87), 2009 (ZFL 0000007-30), 2010 (ZFL 00000880112), 2011 (ZFL 0000031-63), 2012 (ZFL 0000188-220), 2013 (ZFL 0000221-255), 2014 (ZFL 0000136-168), and 2015 (RAINE 0016846-80).

SECTION F

CONCLUSION

F. Conclusion

- 56) From 2005 to 2016, and at all times during the Class Period, Zuffa was a profitable company with favorable operating margins and a substantial ability to produce cash. Its operational success made it an attractive target for both the lending and investing communities. The Original Equity Holders consistently adopted a very aggressive dividend policy, which effectively swept the company's cash flow and, in some instances, its net loan proceeds to them. The stark contrast between the value Original Equity Holders elected to confer to themselves and the total compensation paid to fighters establishes that Zuffa had the capacity to pay its fighters substantially more than the actual amounts paid.

SECTION G

DOCUMENTS RELIED UPON

G. Documents Relied Upon

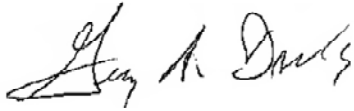
- 57) A listing of the documents and information relied upon to form the opinions contained herein is provided in Exhibit 6.

SECTION H

EXPERT'S COMPENSATION

H. Expert's Compensation

- 58) I am compensated based on the time incurred at an hourly rate of \$725 per hour. Protiviti charges between \$210 and \$640 per hour for other consultants who worked on this report. Our fees are not contingent on the outcome of this case or any other litigation matter.
- 59) I reserve the right to supplement this report if information is brought to my attention between the date of this report and trial that is relevant to my conclusions.



Guy A. Davis, CPA, CIRA, CDBV, CFE

Dated: August 31, 2017

EXHIBIT 1

Income Statement and EBITDA Calculation

Exhibit 1

Cung Le, et al. vs. UFC
Income Statement and EBITDA Calculation
\$ in 000s

	Audited					Allocated	Pre-Class
	2005	2006	2007	2008	2009	01/01/10 - 12/15/10	Period
Net Revenues	\$ 48,332	\$ 179,696	\$ 226,444	\$ 274,574	\$ 329,365	\$ 421,626	\$ 1,480,038
Cost of Revenues	32,260	82,109	128,264	128,797	150,018	190,296	711,744
Gross Profit	16,071	97,587	98,180	145,777	179,346	231,331	768,293
SG&A Expenses	7,062	14,193	40,446	36,740	44,804	65,504	208,749
Aviation Expenses	2,358	4,955	6,633	8,031	11,720	12,023	45,721
Management Fees	-	1,000	2,435	2,748	1,493	713	8,389
Impairment Loss	-	-	3,500	6,964	-	-	10,464
Gain on Legal Settlement	-	-	-	-	(2,434)	-	(2,434)
Depreciation and Amortization	383	621	2,783	3,878	3,142	3,390	14,197
	9,803	20,769	55,797	58,362	58,724	81,630	285,086
Operating Income (Loss)	6,268	76,818	42,383	87,415	120,622	149,701	483,207
Interest Expense, net	-	424	13,474	22,463	24,532	24,902	85,796
Decrease in Swap Fair Value	-	-	10,138	21,912	(8,441)	1,367	24,976
Foreign Withholding Tax	-	1,089	5,531	4,871	3,440	6,006	20,936
Investments Losses - Debt transaction	-	-	-	-	1,162	2,762	3,924
Acquisition / Restructuring Cost	-	-	-	-	-	-	-
Other Expense, net	-	13	31	72	614	190	920
Net Income (Loss) from Continuing Ops	6,268	75,292	13,209	38,098	99,314	114,473	346,654
Net Loss from Discontinued Operations	-	-	-	-	-	-	-
Net Income Attributable to Zuffa	<u>6,268</u>	<u>75,292</u>	<u>13,209</u>	<u>38,098</u>	<u>99,314</u>	<u>114,473</u>	<u>346,654</u>
EBITDA Calculation:							
Net Income	6,268	75,292	13,209	38,098	99,314	114,473	346,654
Interest	-	424	13,474	22,463	24,532	24,902	85,796
Tax	-	1,102	5,561	4,942	4,054	6,196	21,856
Depreciation and Amortization	383	621	2,783	3,878	3,142	3,390	14,197
Impairment Loss	-	-	3,500	6,964	(2,434)	-	8,030
Acquisition / Restructuring Cost	-	-	-	-	-	-	-
EBITDA	<u>\$ 6,651</u>	<u>\$ 77,439</u>	<u>\$ 38,528</u>	<u>\$ 76,346</u>	<u>\$ 128,608</u>	<u>\$ 148,961</u>	<u>\$ 476,534</u>

Exhibit 1a

Cung Le, et al. vs. UFC
Income Statement and EBITDA Calculation
\$ in 000s

	Allocated 12/16/10 - 12/31/10	Audited					Unaudited 2016	Class Period	Total 2005-2016
		2011	2012	2013	2014	2015			
Net Revenues	\$ 19,330	\$ 436,680	\$ 466,303	\$ 514,639	\$ 449,008	\$ 608,629	\$ 702,510	\$ 3,197,098	\$ 4,677,136
Cost of Revenues	8,724	206,540	281,468	249,969	285,755	342,116	359,050	1,733,622	2,445,367
Gross Profit	10,605	230,140	184,835	264,670	163,253	266,513	343,459	1,463,476	2,231,769
SG&A Expenses	3,003	79,791	99,267	105,877	72,803	93,580	132,590	586,912	795,661
Aviation Expenses	551	11,527	13,834	14,863	9,280	6,843	6,441	63,338	109,059
Management Fees	33	500	500	500	500	500	-	2,533	10,922
Impairment Loss	-	-	4,488	-	-	-	-	4,488	14,952
Gain on Legal Settlement	-	-	-	-	-	-	-	-	(2,434)
Depreciation and Amortization	155	4,800	5,918	6,252	6,713	7,784	92,668	124,290	138,487
	3,742	96,618	124,007	127,492	89,296	108,707	231,699	781,561	1,066,647
Operating Income (Loss)	6,863	133,522	60,828	137,178	73,957	157,806	111,760	681,914	1,165,122
Interest Expense, net	1,142	23,426	27,866	25,347	22,797	21,767	72,629	194,974	280,770
Decrease in Swap Fair Value	63	4,229	(3,614)	(2,744)	(1,365)	(1,473)	(1,442)	(6,346)	18,631
Foreign Withholding Tax	275	7,047	3,786	15,381	13,040	11,939	-	51,468	72,404
Investments Losses - Debt transaction	127	2,979	2,401	8,545	7,339	6,891	3,651	31,933	35,857
Acquisition / Restructuring Cost	-	-	(762)	(148)	-	-	105,907	104,997	104,997
Other Expense, net	9	(119)	28	11	71	180	16,136	16,316	17,236
Net Income (Loss) from Continuing Ops	5,248	95,960	31,123	90,786	32,075	118,502	(85,122)	288,572	635,227
Net Loss from Discontinued Operations	-	-	-	(5,998)	(5,454)	-	-	(11,452)	(11,452)
Net Income Attributable to Zuffa	5,248	95,960	31,123	84,788	26,621	118,502	(85,122)	277,120	623,775
EBITDA Calculation:									
Net Income	5,248	95,960	31,123	84,788	26,621	118,502	(85,122)	277,120	623,775
Interest	1,142	23,426	27,866	25,347	22,797	21,767	72,629	194,974	280,770
Tax	284	6,928	3,814	15,392	13,111	12,119	16,136	67,784	89,640
Depreciation and Amortization	155	4,800	5,918	6,252	6,713	7,784	92,668	124,290	138,487
Impairment Loss	-	-	4,488	-	-	-	-	4,488	12,518
Acquisition / Restructuring Cost	-	-	(762)	(148)	-	-	105,907	104,997	104,997
EBITDA	\$ 6,829	\$ 131,114	\$ 72,447	\$ 131,631	\$ 69,242	\$ 160,172	\$ 202,218	\$ 773,654	\$ 1,250,187

EXHIBIT 2

Zuffa, LLC Debt Profile

Exhibit 2

Cung Le, et al. vs. Zuffa, LLC
Zuffa, LLC Debt Profile

		Loan Date	Maturity	Proceeds (\$ in millions)	Rate	Purpose	Other Notes
#1	Revolver	06/19/07	06/19/12	\$ 25	P + 0.75%	Repay revolver	Original revolver drawn for Pride acquisition
	Term Loan	06/19/07	06/19/15	325	L + 2.00%	Dividend to Equity Purchase Dream Stage	Secured by substantially all assets Quarterly principal payments on term loan of 0.25% Revolver maturity extended three years in Feb. 2012
#2	Term Loan	10/13/09	06/19/15	100	L + 2.00%	Repay revolver Dividend to Equity	Issued at 3% discount Quarterly principal payments of 0.25% Add-on facility to #1
#3	Term Loan	06/07/12	06/19/15	60	L + 2.00%	Unknown / working capital	Quarterly principal payments of 0.25% Add-on facility to # 1 and 2
#4	Revolver	02/25/13	02/25/18	60	L + 2.50%	Refinance revolver	Quarterly principal payments of 0.25%
	Term Loan	02/25/13	02/25/20	450	L + 3.50%	Refinance term loans	Issued at 0.5% discount
#5	Term Loan	03/18/14	02/25/20	479	L + 3.00%	Refinance term loan	Quarterly principal payments of 0.25%
				<u>\$ 1,499</u>			

Sources: Zuffa LLC's audited financial statements and offering memorandums.

EXHIBIT 3

Zuffa, LLC Debt Amortization Schedule for Debt Financed Distributions

Exhibit 3

Cung Le, et al. vs. Zuffa, LLC
Zuffa, LLC Debt Amortization Schedule for Debt Financed Distributions
\$ in 000s

Month	New Borrowing	Beginning Balance	Payment		Implied Interest Rate	Ending Balance
			Principal	Interest		
Jan-07	\$ -	\$ -	\$ -	\$ -	0.000%	\$ -
Feb-07	-	-	-	-	0.000%	-
Mar-07	-	-	-	-	0.000%	-
Apr-07	-	-	-	-	0.000%	-
May-07	-	-	-	-	0.000%	-
Jun-07	250,000	-	-	795	3.818%	250,000
Jul-07	-	250,000	-	1,588	7.621%	250,000
Aug-07	-	250,000	-	1,651	7.923%	250,000
Sep-07	-	250,000	625	1,556	7.468%	249,375
Oct-07	-	249,375	-	1,419	6.830%	249,375
Nov-07	-	249,375	-	1,554	7.477%	249,375
Dec-07	-	249,375	625	1,643	7.908%	248,750
				10,206		
Jan-08	-	248,750	-	1,537	7.413%	248,750
Feb-08	-	248,750	-	1,389	6.700%	248,750
Mar-08	-	248,750	625	1,393	6.718%	248,125
Apr-08	-	248,125	-	1,445	6.989%	248,125
May-08	-	248,125	-	1,424	6.888%	248,125
Jun-08	-	248,125	625	1,365	6.604%	247,500
Jul-08	-	247,500	-	1,418	6.873%	247,500
Aug-08	-	247,500	-	1,416	6.864%	247,500
Sep-08	-	247,500	625	994	4.820%	246,875
Oct-08	-	246,875	-	1,165	5.662%	246,875
Nov-08	-	246,875	-	1,093	5.310%	246,875
Dec-08	-	246,875	625	690	3.354%	246,250
				15,328		

Exhibit 3

Cung Le, et al. vs. Zuffa, LLC
Zuffa, LLC Debt Amortization Schedule for Debt Financed Distributions
\$ in 000s

Month	New Borrowing	Beginning Balance	Payment		Implied Interest Rate	Ending Balance
			Principal	Interest		
Jan-09	\$ -	\$ 246,250	\$ -	\$ 538	2.623%	\$ 246,250
Feb-09	-	246,250	-	480	2.340%	246,250
Mar-09	-	246,250	625	554	2.700%	245,625
Apr-09	-	245,625	-	535	2.613%	245,625
May-09	-	245,625	-	537	2.623%	245,625
Jun-09	-	245,625	625	497	2.427%	245,000
Jul-09	-	245,000	-	512	2.507%	245,000
Aug-09	-	245,000	-	510	2.498%	245,000
Sep-09	-	245,000	625	483	2.365%	244,375
Oct-09	70,000	244,375	-	774	2.956%	314,375
Nov-09	-	314,375	-	978	3.735%	314,375
Dec-09	-	314,375	800	1,003	3.830%	313,575
				7,402		
Jan-10	-	313,575	-	846	3.237%	313,575
Feb-10	-	313,575	-	910	3.484%	313,575
Mar-10	-	313,575	800	1,001	3.831%	312,775
Apr-10	-	312,775	-	969	3.716%	312,775
May-10	-	312,775	-	1,002	3.844%	312,775
Jun-10	-	312,775	800	994	3.813%	311,975
Jul-10	-	311,975	-	1,025	3.941%	311,975
Aug-10	-	311,975	-	1,009	3.881%	311,975
Sep-10	-	311,975	800	968	3.725%	311,175
Oct-10	-	311,175	-	994	3.833%	311,175
Nov-10	-	311,175	-	960	3.704%	311,175
Dec-10 [1]	-	311,175	800	994	3.833%	310,375
				11,672		

Exhibit 3

Cung Le, et al. vs. Zuffa, LLC
Zuffa, LLC Debt Amortization Schedule for Debt Financed Distributions
\$ in 000s

Month	New Borrowing	Beginning Balance	Payment		Implied Interest Rate	Ending Balance
			Principal	Interest		
Jan-11	\$ -	\$ 310,375	\$ -	\$ 992	3.834%	\$ 310,375
Feb-11	-	310,375	-	958	3.704%	310,375
Mar-11	-	310,375	800	989	3.824%	309,575
Apr-11	-	309,575	-	956	3.706%	309,575
May-11	-	309,575	-	956	3.706%	309,575
Jun-11	-	309,575	800	947	3.670%	308,775
Jul-11	-	308,775	-	974	3.785%	308,775
Aug-11	-	308,775	-	991	3.852%	308,775
Sep-11	-	308,775	800	921	3.581%	307,975
Oct-11	-	307,975	-	1,024	3.992%	307,975
Nov-11	-	307,975	-	989	3.853%	307,975
Dec-11	-	307,975	800	987	3.844%	307,175
				11,684		
Jan-12	-	307,175	-	982	3.836%	307,175
Feb-12	-	307,175	-	922	3.604%	307,175
Mar-12	-	307,175	800	969	3.786%	306,375
Apr-12	-	306,375	-	984	3.854%	306,375
May-12	-	306,375	-	967	3.787%	306,375
Jun-12	-	306,375	800	938	3.672%	305,575
Jul-12	-	305,575	-	964	3.788%	305,575
Aug-12	-	305,575	-	964	3.786%	305,575
Sep-12	-	305,575	800	904	3.551%	304,775
Oct-12	-	304,775	-	962	3.788%	304,775
Nov-12	-	304,775	-	933	3.674%	304,775
Dec-12	-	304,775	800	962	3.788%	303,975
				11,452		

Exhibit 3

Cung Le, et al. vs. Zuffa, LLC
Zuffa, LLC Debt Amortization Schedule for Debt Financed Distributions
\$ in 000s

Month	New Borrowing	Beginning Balance	Payment		Implied Interest Rate	Ending Balance
			Principal	Interest		
Jan-13	\$ -	\$ 303,975	\$ -	\$ 960	3.789%	\$ 303,975
Feb-13	-	303,975	-	950	3.749%	303,975
Mar-13	-	303,975	760	1,536	6.064%	303,215
Apr-13	-	303,215	-	1,199	4.744%	303,215
May-13	-	303,215	-	1,227	4.855%	303,215
Jun-13	-	303,215	760	1,170	4.631%	302,455
Jul-13	-	302,455	-	1,219	4.838%	302,455
Aug-13	-	302,455	-	1,219	4.838%	302,455
Sep-13	-	302,455	760	1,181	4.687%	301,695
Oct-13	-	301,695	-	1,216	4.838%	301,695
Nov-13	-	301,695	-	1,120	4.456%	301,695
Dec-13	-	301,695	760	1,183	4.706%	300,935
				14,181		
Jan-14	-	300,935	-	1,129	4.500%	300,935
Feb-14	-	300,935	-	1,129	4.500%	300,935
Mar-14	-	300,935	752	1,064	4.241%	300,183
Apr-14	-	300,183	-	938	3.750%	300,183
May-14	-	300,183	-	938	3.750%	300,183
Jun-14	-	300,183	752	938	3.750%	299,431
Jul-14	-	299,431	-	936	3.750%	299,431
Aug-14	-	299,431	-	936	3.750%	299,431
Sep-14	-	299,431	752	936	3.750%	298,678
Oct-14	-	298,678	-	933	3.750%	298,678
Nov-14	-	298,678	-	933	3.750%	298,678
Dec-14	-	298,678	752	933	3.750%	297,926
				11,742		

Exhibit 3

Cung Le, et al. vs. Zuffa, LLC
Zuffa, LLC Debt Amortization Schedule for Debt Financed Distributions
\$ in 000s

Month	New Borrowing	Beginning Balance	Payment		Implied Interest Rate	Ending Balance
			Principal	Interest		
Jan-15	\$ -	\$ 297,926	\$ -	\$ 931	3.750%	\$ 297,926
Feb-15	-	297,926	-	931	3.750%	297,926
Mar-15	-	297,926	752	931	3.750%	297,174
Apr-15	-	297,174	-	929	3.750%	297,174
May-15	-	297,174	-	929	3.750%	297,174
Jun-15	-	297,174	752	929	3.750%	296,421
Jul-15	-	296,421	-	926	3.750%	296,421
Aug-15	-	296,421	-	926	3.750%	296,421
Sep-15	-	296,421	752	926	3.750%	295,669
Oct-15	-	295,669	-	924	3.750%	295,669
Nov-15	-	295,669	-	924	3.750%	295,669
Dec-15	-	295,669	752	924	3.750%	294,917
				11,130		
Jan-16	-	294,917	-	922	3.750%	294,917
Feb-16	-	294,917	-	922	3.750%	294,917
Mar-16	-	294,917	752	922	3.750%	294,164
Apr-16	-	294,164	-	919	3.750%	294,164
May-16	-	294,164	-	919	3.750%	294,164
Jun-16	-	294,164	752	919	3.750%	293,412
Jul-16	-	293,412	-	917	3.750%	293,412
Aug-16	-	293,412	-	917	3.750%	293,412
Sep-16	-	293,412	752	917	3.750%	292,660
Oct-16	-	292,660	-	915	3.750%	292,660
Nov-16	-	292,660	-	915	3.750%	292,660
Dec-16	-	292,660	752	915	3.750%	291,907
				11,017		
				<u>\$ 115,814</u>		

[1] Included in Class Period.

EXHIBIT 4

Fight-Related Compensation

Exhibit 4

Cung Le, et al. vs Zuffa, LLC
 Fight-Related Compensation
\$ in 000s

<u>Year</u>	<u>Number of Fighters</u>	<u>Total Fight Related Compensation</u>	<u>Mean</u>	<u>High</u>	<u>Median</u>	<u>Low</u>
Pre-Class Period						
2005	102	\$ 3,606	\$ 35	\$ 599	\$ 8	\$ 2
2006	174	26,821	154	5,544	16	2
2007	270	42,008	156	9,635	22	2
2008	301	43,653	145	3,563	28	2
2009	333	55,177	166	6,270	38	2
Jan.1-Dec.15 (2010)	340	<u>75,359</u>	222	6,201	46	3
		246,624				
Class Period						
Dec.16-31 (2010)	22	363				
2011	485	71,745	148	4,506	33	1
2012	449	63,069	140	4,825	48	2
2013	452	83,226	184	7,672	47	6
2014	565	62,198	110	1,935	48	8
2015	576	97,298	169	8,577	45	6
2016	555	<u>136,583</u>	246	18,004	57	10
		<u>514,481</u>				
		<u>\$ 761,104</u>				

EXHIBIT 5

Fighter Benefits

Exhibit 5

Cung Le, et al. vs Zuffa, LLC
Fighter Benefits
\$ in 000s

	2005	2006	2007	2008	2009	01/01/10 - 12/15/10	Pre-Class Period
PPV / Content Expense							
Fighter Sponsorship	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Fighter Costs	-	1,590	261	328	345	567	3,092
Medical	-	289	83	143	322	4,247	5,084
Participant Insurance	-	142	269	351	439	501	1,702
Live / Taped TV Expense	-	-	-	-	-	-	-
Other Fighter Costs	-	164	524	752	625	583	2,648
Medical	-	132	202	183	194	234	945
Participant Insurance	-	104	265	359	348	378	1,455
Merchandise / Consumer Product Exp.	-	-	-	-	-	-	-
Fighter Royalty	-	-	-	-	901	1,158	2,059
Other Fighter Costs	-	-	-	-	-	-	-
Fighter Sponsorship	-	-	-	-	-	-	-
Fighter Exposure Fee	-	-	-	-	-	-	-
General & Administrative Expense	-	-	-	-	-	-	-
Fighter Bonus	-	-	1,379	160	388	746	2,672
Other Fighter Costs	-	945	481	158	192	173	1,949
Medical	-	-	-	-	-	-	-
Participant Insurance	-	-	-	-	-	-	-
Sponsorship Expense	-	-	-	-	-	-	-
Fighter Sponsorship	-	-	-	-	-	-	-
Other Fighter Costs	-	-	-	-	-	-	-
Fighter Exposure Fee	-	-	-	-	-	-	-
Total Fighter Benefits and Identity Class	3,201	3,368	3,463	2,435	3,754	8,588	24,807
Less: Identity Class Payments	-	-	-	-	678	1,127	1,805
Total Fighter Benefits	<u>\$ 3,201</u> ^[1]	<u>\$ 3,368</u>	<u>\$ 3,463</u>	<u>\$ 2,435</u>	<u>\$ 3,075</u>	<u>\$ 7,461</u>	<u>\$ 23,002</u>

Source: internal income statements.

[1] 2005 fighter benefit data was not provided and is assumed to be the average of the 2004 and 2006 actual expenses.

Exh bit 5a

Cung Le, et al. vs Zuffa, LLC
Fighter Benefits
\$ in 000s

	12/16/10 - 12/31/10	2011	2012	2013	2014	2015	2016	Class Period	Total 2005-2016
PPV / Content Expense									
Fighter Sponsorship	\$ -	\$ -	\$ 712	\$ 26	\$ 2	\$ 4	\$ -	\$ 744	\$ 744
Other Fighter Costs	26	642	262	279	3,256	2,916	2,429	9,810	12,902
Medical	195	392	532	280	1,942	1,595	2,062	6,997	12,081
Participant Insurance	23	521	444	504	2,590	2,440	2,246	8,768	10,470
Live / Taped TV Expense									
Other Fighter Costs	27	1,039	692	1,495	-	2	1	3,256	5,904
Medical	11	331	534	623	1	17	-	1,517	2,462
Participant Insurance	17	576	713	804	-	-	-	2,110	3,565
Merchandise / Consumer Product Exp.									
Fighter Royalty	53	457	918	63	143	1,204	327	3,164	5,224
Other Fighter Costs	-	9	11	14	3	135	144	315	315
Fighter Sponsorship	-	25	400	766	33	-	5	1,228	1,228
Fighter Exposure Fee	-	-	-	-	-	1,584	3,511	5,095	5,095
General & Administrative Expense									
Fighter Bonus	34	981	104	68	62	1	-	1,251	3,923
Other Fighter Costs	8	473	1,070	593	(92)	80	2	2,134	4,083
Medical	-	-	-	242	86	67	-	395	395
Participant Insurance	-	310	833	902	-	-	-	2,044	2,044
Sponsorship Expense									
Fighter Sponsorship	-	-	-	-	579	1,272	1,587	3,438	3,438
Other Fighter Costs	-	-	-	-	16	29	8	53	53
Fighter Exposure Fee	-	-	-	-	-	1,584	3,509	5,093	5,093
Total Fighter Benefits and Identity Class	394	5,755	7,224	6,658	8,623	14,103	17,270	60,028	84,835
Less: Identity Class Payments	31	320	2,380	889	643	4,873	9,034	18,169	19,975
Total Fighter Benefits	<u>\$ 362</u>	<u>\$ 5,435</u>	<u>\$ 4,844</u>	<u>\$ 5,769</u>	<u>\$ 7,981</u>	<u>\$ 9,230</u>	<u>\$ 8,237</u>	<u>\$ 41,858</u>	<u>\$ 64,860</u>

Source: internal income statements.

EXHIBIT 6

Documents Relied Upon

Cung Le, et al. vs. Zuffa, LLC
Documents Relied Upon

Category	Document	Description	Bates Number	
			Beginning	Ending
I. Pleadings	1	Zuffa Consolidated Amended Antitrust Class Action Complaint	N/A	N/A
	2	Protective Order	N/A	N/A
II. Securities / Valuation / Accounting Documents				
	3	Securities Purchase Agreement (July 8, 2016)	RAINE0017417	RAINE0017717
	4	Disclosure Schedules to Securities Purchase Agreement	RAINE0016835	RAINE0017416
	5	Goldman Sachs Confidential Information Memorandum for \$1.45 billion Senior Secured Credit Facilities	ZFL-2649918	ZFL-2649989
	6	Deutsche Bank Confidential Information Memorandum for \$300 million Senior Secured Credit Facilities (May 2007)	DB-ZUFFA-00006712	DB-ZUFFA-00006786
	7	Deutsche Bank Confidential Information Memorandum for \$100 million Incremental Term Loan (October 2009)	ZFL-2509465	ZFL-2649518
	8	Leveraged Finance Credit Report January 2013	DB-ZUFFA-00006389	DB-ZUFFA-00006457
	9	Deutsche Bank Confidential Information Memorandum \$510 million Senior Secured Credit Facilities	DB-ZUFFA-00006237	DB-ZUFFA-00006313
	10	RAINE0018791 (Follow-up question list from CMC 03.31.16)	RAINE0018791	RAINE0018809
	11	Zuffa LLC Intangible Asset Treatment Discussion Memo	ZFL-1240584	ZFL-1240591
	12	Houlihan Lokey Howard & Zukin, Zuffa, LLC Valuation (March 31, 2006)	ZFL-1677117	ZFL-1677189
III. Depositions				
	13	Nakisa Bidarian (May 7, 2017) deposition transcript and exhibits	N/A	N/A
	14	John Hertig (April 27, 2017) deposition transcript and exhibits	N/A	N/A
	15	John Mulkey (April 19, 2017) deposition transcript and exhibits	N/A	N/A
	16	Lorenzo Fertitta (March 23, 2017) deposition transcript and exhibits	N/A	N/A
	17	Brent Richards (July 20, 2017) deposition transcript and exhibits	N/A	N/A
	18	Fertitta compilation exhibit	ZFL-2699693	N/A
IV. Zuffa Audited Financial Statements				
	19	Audited financial statements 2004, 2005 & 2006	ZFL-0000169	ZFL-0000187
	20	Audited financial statements 2006 & 2007	ZFL-0000113	ZFL-0000135
	21	Audited financial statements 2007 & 2008	ZFL-0000064	ZFL-0000087
	22	Audited financial statements 2008 & 2009	ZFL-0000007	ZFL-0000030
	23	Audited financial statements 2009 & 2010	ZFL-0000088	ZFL-0000112
	24	Audited financial statements 2010 & 2011	ZFL-0000031	ZFL-0000063
	25	Audited financial statements 2011 & 2012	ZFL-0000188	ZFL-0000220
	26	Audited financial statements 2012 & 2013	ZFL-0000221	ZFL-0000255
	27	Audited financial statements 2013 & 2014	ZFL-0000136	ZFL-0000168
	28	Audited financial statements 2014 & 2015	RAINE0016847	RAINE0016880
V. Zuffa Internal Financial Statements				
	29	Consolidated P&L 2004 Monthly	ZFL-1053223	N/A
	30	Consolidated P&L 2006 YTD	ZFL-1381761	N/A
	31	Consolidated P&L 2005 Monthly	ZFL-1472224	N/A
	32	Consolidated P&L 2007 YTD	ZFL-1514712	N/A
	33	Consolidated P&L 2007 Company	ZFL-1514713	N/A
	34	Consolidated P&L 2008 YTD	ZFL-1514769	N/A
	35	Consolidated P&L 2008 Company	ZFL-1514770	N/A
	36	Consolidated P&L 2009 Company	ZFL-1514804	N/A
	37	Consolidated P&L 2010 YTD	ZFL-1514836	N/A
	38	Consolidated P&L 2010 Company	ZFL-1514837	N/A
	39	Consolidated P&L 2011 Company	ZFL-1514870	N/A
	40	Consolidated P&L 2012 YTD	ZFL-1514900	N/A
	41	Consolidated P&L 2012 YTD2	ZFL-1514901	N/A
	42	Consolidated P&L 2013 Company	ZFL-1514933	N/A
	43	Consolidated P&L 2014 Company YTD	ZFL-1514944	N/A
	44	Consolidated P&L 2015 (Nov) Company	ZFL-1514966	N/A

Cung Le, et al. vs. Zuffa, LLC
Documents Relied Upon

Category	Document	Description	Bates Number	
			Beginning	Ending
V. Zuffa Internal Financial Statements (cont.)				
	45	Consolidated P&L 2001-2005 Monthly	ZFL-1674096	N/A
	46	Consolidated P&L 2015-2016 Company YTD	ZFL-2764799	N/A
VI. Other Zuffa Documents				
a. Bout Class Compensation				
	47	zfl-0000003	ZFL-0000003	N/A
	48	ZFL-2458186 (Explosion 2009 IS)	ZFL-2458186	N/A
	49	zfl-2603701 (Comp Data)	ZFL-2603701	N/A
	50	ZFL-2764800 (Comp Data)	ZFL-2764800	N/A
b. Identity Class Compensation				
	51	JDE Athlete Payments 2010-2015	ZFL-2603704	N/A
	52	Athlete Royalty Rev and Payment	ZFL-2650184	N/A
	53	Athlete Royalty Rev and Payment	ZFL-2650185	N/A
	54	Athlete Royalty Rev and Payment 2014-2016	ZFL-2650186	N/A
	55	2015 Sponsor Payments	ZFL-2650188	N/A
	56	2009-2012 all Athlete Payments	ZFL-2650189	N/A
	57	Athlete Payments 2009-2015	ZFL-2679053	N/A
c. Zuffa Employee Pay				
	58	ZFL-1062702 2014-02-06 Debt Financed Distributions	ZFL-1062702	N/A
	59	ZUF-00096950-RECOVERED (Employee compensation)	ZUF-00096950	N/A
d. Event Level Financials				
	60	zfl-2603702 (Named UFC 2006-2015)	ZFL-2603702	N/A
	61	ZFL-2650187 (2010-2015 All Zuffa Events)	ZFL-2650187	N/A
	62	ZFL-2764797 (2006-2016 Numbered UFC Events)	ZFL-2764797	N/A
	63	ZFL-2764798 (2010-2016 All Zuffa Events)	ZFL-2764798	N/A
e. Event Revenues				
	64	ZFL-0000267	ZFL-0000267	N/A
	65	ZFL-0000268	ZFL-0000268	N/A
	66	ZFL-0000366	ZFL-0000366	N/A
	67	ZFL-0000368	ZFL-0000368	N/A
	68	ZFL-0000370	ZFL-0000370	N/A
	69	ZFL-0000372	ZFL-0000372	N/A
	70	ZFL-0000379	ZFL-0000379	N/A
	71	ZFL-0000380	ZFL-0000380	N/A
	72	ZFL-0000381	ZFL-0000381	N/A
	73	ZFL-0000382	ZFL-0000382	N/A
	74	ZFL-0000383	ZFL-0000383	N/A
	75	ZFL-0000385	ZFL-0000385	N/A
	76	ZFL-0000386	ZFL-0000386	N/A
	77	ZFL-0000387	ZFL-0000387	N/A
	78	ZFL-0000389	ZFL-0000389	N/A
	79	ZFL-0000390	ZFL-0000390	N/A
	80	ZFL-0000391	ZFL-0000391	N/A
	81	ZFL-0000392	ZFL-0000392	N/A
	82	ZFL-0000394	ZFL-0000394	N/A
	83	ZFL-0000395	ZFL-0000395	N/A

Cung Le, et al. vs. Zuffa, LLC
Documents Relied Upon

Category	Document	Description	Bates Number	
			Beginning	Ending
e. Event Revenues (cont.)	84	ZFL-0000396	ZFL-0000396	N/A
	85	ZFL-0000398	ZFL-0000398	N/A
	86	ZFL-0000399	ZFL-0000399	N/A
	87	ZFL-0000400	ZFL-0000400	N/A
	88	ZFL-0000401	ZFL-0000401	N/A
	89	ZFL-0000402	ZFL-0000402	N/A
	90	ZFL-0000403	ZFL-0000403	N/A
	91	ZFL-0000405	ZFL-0000405	N/A
	92	ZFL-0000406	ZFL-0000406	N/A
	93	ZFL-0000407	ZFL-0000407	N/A
	94	ZFL-0000409	ZFL-0000409	N/A
	95	ZFL-0000411	ZFL-0000411	N/A
	96	ZFL-0000412	ZFL-0000412	N/A
	97	ZFL-0000413	ZFL-0000413	N/A
	98	ZFL-0000414	ZFL-0000414	N/A
	99	ZFL-0003919	ZFL-0003919	N/A
	100	ZFL-0003920	ZFL-0003920	N/A
	101	ZFL-0003921	ZFL-0003921	N/A
	102	ZFL-0003935	ZFL-0003935	N/A
	103	ZFL-0003936	ZFL-0003936	N/A
	104	ZFL-0003937	ZFL-0003937	N/A
	105	ZFL-0003938	ZFL-0003938	N/A
	106	ZFL-0003939	ZFL-0003939	N/A
	107	ZFL-0003940	ZFL-0003940	N/A
	108	ZFL-0003941	ZFL-0003941	N/A
	109	ZFL-0003942	ZFL-0003942	N/A
	110	ZFL-0003943	ZFL-0003943	N/A
	111	ZFL-0003944	ZFL-0003944	N/A
	112	ZFL-0003945	ZFL-0003945	N/A
	113	ZFL-0003947	ZFL-0003947	N/A
	114	ZFL-0003948	ZFL-0003948	N/A
	115	ZFL-0003950	ZFL-0003950	N/A
	116	ZFL-0003952	ZFL-0003952	N/A
	117	ZFL-0003953	ZFL-0003953	N/A
	118	ZFL-0003954	ZFL-0003954	N/A
	119	ZFL-0003955	ZFL-0003955	N/A
	120	ZFL-0003956	ZFL-0003956	N/A
	121	ZFL-0003957	ZFL-0003957	N/A
	122	ZFL-0003958	ZFL-0003958	N/A
	123	ZFL-0003959	ZFL-0003959	N/A
	124	ZFL-0003960	ZFL-0003960	N/A
	125	ZFL-0003961	ZFL-0003961	N/A
	126	ZFL-0003962	ZFL-0003962	N/A
	127	ZFL-0003963	ZFL-0003963	N/A
	128	ZFL-0003964	ZFL-0003964	N/A
	129	ZFL-0003967	ZFL-0003967	N/A
	130	ZFL-0003968	ZFL-0003968	N/A
	131	ZFL-0003969	ZFL-0003969	N/A
	132	ZFL-0003970	ZFL-0003970	N/A
	133	ZFL-0003971	ZFL-0003971	N/A
	134	ZFL-0003972	ZFL-0003972	N/A
	135	ZFL-1001247	ZFL-1001247	N/A

Cung Le, et al. vs. Zuffa, LLC
Documents Relied Upon

Category	Document	Description	Bates Number	
			Beginning	Ending
e. Event Revenues (cont.)	136	ZFL-1033792	ZFL-1033792	N/A
	137	ZFL-1054660	ZFL-1054660	N/A
	138	ZFL-1057706	ZFL-1057706	N/A
	139	ZFL-1058009	ZFL-1058009	N/A
	140	ZFL-1059000	ZFL-1059000	N/A
	141	ZFL-1062695	ZFL-1062695	N/A
	142	ZFL-1062696	ZFL-1062696	N/A
	143	ZFL-1067456	ZFL-1067456	N/A
	144	ZFL-1069206	ZFL-1069206	N/A
	145	ZFL-1084339	ZFL-1084339	N/A
	146	ZFL-1085025	ZFL-1085025	N/A
	147	ZFL-1085026	ZFL-1085026	N/A
	148	ZFL-1085224	ZFL-1085224	N/A
	149	ZFL-1088470	ZFL-1088470	N/A
	150	ZFL-1089628	ZFL-1089628	N/A
	151	ZUF-00031995	ZUF-00031995	N/A
	152	ZUF-00032038	ZUF-00032038	N/A
	153	ZUF-00032039	ZUF-00032039	N/A
	154	ZUF-00032040	ZUF-00032040	N/A
	155	ZUF-00032043	ZUF-00032043	N/A
	156	ZUF-00032044	ZUF-00032044	N/A
	157	ZUF-00033614	ZUF-00033614	N/A
	158	ZUF-00033634	ZUF-00033634	N/A
	159	ZUF-00034210	ZUF-00034210	N/A
	160	ZUF-00104686	ZUF-00104686	N/A
	161	ZUF-00106621	ZUF-00106621	N/A
	162	ZUF-00106849	ZUF-00106849	N/A
	163	ZUF-00106854	ZUF-00106854	N/A
	164	ZUF-00106855	ZUF-00106855	N/A
	165	ZUF-00106856	ZUF-00106856	N/A
	166	ZUF-00107338	ZUF-00107338	N/A
	167	ZUF-00107654	ZUF-00107654	N/A
	168	ZUF-00107655	ZUF-00107655	N/A
	169	ZUF-00107826	ZUF-00107826	N/A
	170	ZUF-00107827	ZUF-00107827	N/A
	171	ZUF-00107937	ZUF-00107937	N/A
	172	ZUF-00108002	ZUF-00108002	N/A
	173	ZUF-00108003	ZUF-00108003	N/A
	174	ZUF-00108654	ZUF-00108654	N/A
	175	ZUF-00109209	ZUF-00109209	N/A
	176	ZUF-00109743	ZUF-00109743	N/A
	177	ZUF-00111368	ZUF-00111368	N/A
	178	ZUF-00111369	ZUF-00111369	N/A
	179	ZUF-00268691	ZUF-00268691	N/A
f. Strikeforce Revenues	180	ZFL-1472338 Explosion Ent Perf Analysis 2009-2011	ZFL-1472338	N/A
	181	ZFL-2458186 (Explosion 2009 IS)	ZFL-2458186	N/A

Cung Le, et al. vs. Zuffa, LLC
Documents Relied Upon

Category	Document	Description	Bates Number	
			Beginning	Ending
g. PPV Exemplar Contracts		Quintron Jackson:		
	182	ZFL-0108084	ZFL-0108084	ZFL-0108093
	183	ZFL-0357812	ZFL-0357812	ZFL-0357820
	184	ZFL-0360737	ZFL-0360737	ZFL-0360745
		Ronda Rousey:		
	185	ZFL-0313388	ZFL-0313388	ZFL-0313590
	186	ZFL-0379019	ZFL-0379019	ZFL-0379028
	187	ZFL-0387495	ZFL-0387495	ZFL-0387504
		Tito Ortiz:		
	188	ZFL-0306658	ZFL-0306658	ZFL-0306822
	189	ZFL-0359721	ZFL-0359721	ZFL-0359729
	190	ZFL-0370265	ZFL-0370265	ZFL-0370272
VII. Independent Research				
	191	Abu Dhabi-owned Flash Entertainment buys 10 percent of UFC's parent company, MMAJunkie (Jan. 12, 2010) http://mmajunkie.com/2010/01/abu-dhabi-owned-flash-entertainment-buys-10-percent-of-ufcs-parent-company	N/A	N/A
	192	Scott Hamm, Online interest in UFC skyrockets while NASCAR, NFL and NHL fall, Nielson (Jul. 8, 2009) http://www.nielsen.com/us/en/insights/news/2009/online-interest-in-ufc-skyrockets-while-nascar-nfl-and-nhl-fall.html	N/A	N/A
	193	Matt Connelly, New York To Legalize MMA: Why It Took So Long, And What It Means Going Forward, Forbes (Mar. 23, 2016), https://www.forbes.com/sites/mattconnolly/2016/03/23/new-york-to-legalize-mma-why-it-took-so-long-and-what-it-means-going-forward/	N/A	N/A

EXHIBIT 7

Resume and Testimony of Guy A. Davis, CPA, CIRA, CDBV, CFE

Guy A. Davis

Managing Director
Richmond

Direct: [REDACTED]

Fax: [REDACTED]

E-Mail: [REDACTED]

AREAS OF EXPERTISE

- Corporate Restructuring & Recovery
- Litigation & Financial Investigation

CLIENTS SERVED

- Best Products Co., Inc.
- Alpha Natural Resources
- Fas Mart Convenience Stores
- Heilig Meyers Inc.
- Samsung
- MF Global
- Circuit City
- Adelphia
- LandAmerica
- GE Commercial Credit
- HealthSouth
- Dominion Resources
- Gen Re

EDUCATION

- B.S., University of Richmond
- MBA, Loyola College
- American College of Bankruptcy Fellow
- Certified Public Accountant
- Certified Insolvency & Restructuring Advisor
- Certified Distressed Business Appraiser (CDBV)
- Certified Fraud Examiner

PROFESSIONAL MEMBERSHIPS

- American College of Bankruptcy Fellows
- American Institute of Certified Public Accounts
- Association of Certified Fraud Examiners
- Association of Insolvency & Restructuring Advisors
- Virginia Society of Certified Public Accountants

BACKGROUND

Guy A. Davis is a Managing Director with Protiviti Inc. and manages the firm's Richmond, Virginia office. He has nearly 28 years of accounting, finance and consulting experience in the areas of corporate restructuring, commercial litigation, financial investigations, and valuation.

PROFESSIONAL EXPERIENCE

Corporate Restructuring - Mr. Davis has performed a variety of financial advisory and fiduciary services to bankrupt or distressed entities, their lenders and unsecured creditors including: operations management, asset liquidation, debt restructuring, asset recovery, fraud investigation, solvency analyses, and business valuation. He has served as acting CFO of debtor organizations, Chief Liquidation Officer, court approved claims and disbursing agent, and accountant to chapter 7 trustees. He has also testified as an expert witness in U.S. district, bankruptcy, and circuit courts across the country. His services have been provided to corporations and estates in the sub-prime mortgage, health care, energy, broker dealer, manufacturing, retail, insurance, furniture rental, equipment leasing, steel fabrication, ship repair, heavy highway construction, mining, and hospitality industries.

Litigation, Financial Damages Analysis - Mr. Davis has prepared research and analysis to determine compensatory and punitive damages related to several litigation matters involving patent infringement and reasonable royalty, breach of contract, employment disputes, negligence, franchise termination, fraudulent conveyance, and marital dissolution. He has qualified as financial expert and/or has provided testimony on behalf of corporations, individuals, class action plaintiffs and defendants, sureties and financial institutions.

Business Valuation - Mr. Davis has performed numerous business valuations for use in bankruptcy, estate planning, purchase and sale of business, litigation matters and loan collateral analysis. These valuations were for hotels, restaurants, printing companies, medical practices, construction contractors, distributors, manufacturers, retailers and others. His significant valuation experience includes:

- Valuation of MF Global, an international Futures Commission Merchant and broker-dealer operating in 70 exchanges around the world.
- Valuation of HealthSouth, the nation's largest operator of rehabilitation hospitals.
- Valuation of K-Mart, a multi-billion dollar general merchandise retailer.

Merger, Acquisition and Business Formation - Mr. Davis has assisted several clients in purchasing, selling or forming an equity interest in privately held businesses. These services included development of comprehensive business plans, evaluation and financial analysis of economic returns, assessment of management compatibility and operational synergies, evaluation of stock versus asset purchases and the tax ramifications of the transaction, and presentation to potential lenders and private placement investors.

Guy A. Davis

Managing Director
Richmond

Direct:
Fax:
E-Mail:



PAPERS, PUBLICATIONS AND PRESENTATIONS

- "Everything's Changed – What's Next in Bankruptcy Reporting" - co-author and panel member for the Association of Insolvency Restructuring Advisors at the National Conference of Bankruptcy Judges, October 28, 2016, San Francisco.
- "Preference Defense from a Financial Advisor's Perspective" - co-author and panel member for the Credit Research Foundation's Credit and Accounts Receivable Forum and Expo, August 9, 2016 Chicago, IL.
- "Bankruptcy Tax and Accounting Issues – Supplement" (Copyright 2016) for Virginia CLE and the Virginia Law Foundation (co-author). Bankruptcy Practice in Virginia.
- "Proposed Fee Guidelines for Financial Advisors in Large Chapter 11 matters." Co-author and panel member for the Association of Insolvency Restructuring Advisors at the National Conference of Bankruptcy Judges, October 10, 2014. Chicago, IL.
- "A Financial Advisor's Role in Chapter 7 Bankruptcies" for the Journal of The National Association of Bankruptcy Trustees, NAB Talk Fall 2013 Volume 29 Issue 3.
- "A Comparative Analysis of Chapter 11, Receiverships and Assignments of the Benefit of Creditors" for the National Conference of Bankruptcy Judges Joint Program of the Association of Insolvency & Restructuring Advisors and the American College of Bankruptcy. October 26, 2012. San Diego, CA.
- "The *Daubert* Challenge: Plan Confirmation and Solvency Valuation Experts" Mid-Atlantic Institute on Bankruptcy and Reorganization, September 2012.
- "Control Premiums: Exploring the Complexities of a Seemingly Simple Concept" AIRA Journal Volume 24, Number 4 October/November 2010.
- "Bankruptcy Tax and Accounting Issues – Supplement" (Copyright 2010) for Virginia CLE and the Virginia Law Foundation (co-author). Bankruptcy Practice in Virginia.
- "Surf's Up on Fresh Start Accounting" – co-author, AIRA Bankruptcy & Restructuring Conference, June 11, 2010.
- "Mark-to-Market Accounting and FASB 157 – The Impact on the Current Financial Crisis" for the American College of Bankruptcy Annual Meeting, March 28, 2009, Washington D.C.
- "Bankruptcy Tax and Accounting Issues – Supplement" (Copyright 2008) for Virginia CLE and the Virginia Law Foundation (co-author). Bankruptcy Practice in Virginia.

Guy A. Davis

Managing Director
Richmond

Direct: [REDACTED]
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E-Mail: [REDACTED]

-
- "Bankruptcy Tax and Accounting Issues – Supplement" (Copyright 2005) for Virginia CLE and the Virginia Law Foundation (co-author). Bankruptcy Practice in Virginia.
 - "Bankruptcy Tax and Accounting Issues" (Copyright 2004) for Virginia CLE and the Virginia Law Foundation (co-author). Bankruptcy Practice in Virginia.
 - "Selection of the Restructuring Platform" (Copyright 2003) for Bankruptcy Law News, and Corporate Corridors
 - "Regional Trends in Bankruptcy Filings" (Copyright 1997) for Bankruptcy Law News, Vol. XII, No. 3.
 - "Bankruptcy Survey - C. W. Amos & Company's financial database on area bankruptcies provides valuable information for both lenders and creditors. Here are some highlights..." (1995) co-authored with Debora A. Pavlik for the Richmond Ventures Magazine
 - "Inventory Management and the Economic Order Quantity (EOQ)" (1991) prepared for the Notes and Footnotes Publication distributed to over 3,500 Maryland corporations by C. W. Amos & Company.
 - "Choosing from a Vast Selection of Legal Time and Billing Software" (1990) prepared for The Daily Record, a Maryland daily business and legal news publication.
-

GUY A. DAVIS, CPA, CIRA, CDBV, CFE
TESTIMONY, AFFIDAVITS AND EXPERT REPORTS
2005 – PRESENT
(*our client **bold/underlined***)

- Arbitration Testimony and Declaration in the matter between **The United Mine Workers of America 1974 Pension Plan and Trust** and Peabody Energy Corporation Case No.: 01-16-0001-2286 American Arbitration Association. Civil Action No. 1:15-cv-01138 The U.S. District Court for the District of Columbia *Our client: Plaintiff.*
- Declaration in Support of the **Objection of the Official Committee of Unsecured Creditors** to Certain Aspects of the Adequate Protection Offered by Debtors to Pre-Petition Lenders and Second Lien Noteholders and Certain Other Rights and Protections Granted to Same in **Alpha Natural Resources** Case No 15-33896, U.S. Bankruptcy Court of the Eastern District of Virginia. (declaration filed in 2015) *Our client: Creditors' Committee.*
- Expert Report in Dr. Thomas B. Leecost v. **Capital Division, Inc.,** Case No. CL1400547000, Circuit Court for the City of Richmond (report filed in April 2016). *Our client: Defendant.*
- Deposition Testimony and Expert Report in **MF Global Holdings, Ltd. Investment Litigation (Litigation Trustee and Customer Class),** Joseph DeAngelis v. Jon S. Corzine et al. Case No. 11-8766 (VM), U.S. District Court Southern District of New York. *Our client: Plaintiff*
- Expert and Rebuttal Report in **MF Global Holdings, Ltd., as Plan Administrator** v. PriceWaterhouseCoopers LLP. Civil Action No. CV-14-2197 (VM), U.S. District Court Southern District of New York. *Our client: Plaintiff*
- Trial Testimony and Expert Report in **Dominion Virginia Power** v. Bransen Energy, Inc., Case No. 3:14CV538-JRS, U.S. District Court Eastern District of Virginia (trial testimony and report filed in 2015). *Our client: Plaintiff.*
- Expert Report in Sharon E. Madere v. **Christian & Barton, LLP, et al.,** Case No. CL14-2805, Circuit Court for the City of Richmond (report filed in 2015). *Our client: Defendant.*
- Deposition Testimony and Expert Report in General Medicine, P.C. v. **HealthSouth Corporation,** Circuit Court of Jefferson County, Alabama Civil Division (report filed in 2014). *Our client: Defendant.*
- Deposition Testimony and Expert Report in **Official Committee of Unsecured Creditors, by and on behalf of MS Grand, Inc. and its bankruptcy estate** v. Home Depot U.S.A., Inc., Case No. 12-01475, U.S. Bankruptcy Court for the Eastern District of Virginia (deposition testimony given and report filed in 2014). *Our client: Plaintiff.*

GUY A. DAVIS, CPA, CIRA, CDBV, CFE
TESTIMONY, AFFIDAVITS AND EXPERT REPORTS
2005 – PRESENT
(our client **bold/underlined**)
Continued

- Expert Report in **Official Committee of Unsecured Creditors, by and on behalf of MS Grand, Inc. and its bankruptcy estate** v. Northern Illinois Gas Company, Case No. 12-01480, U.S. Bankruptcy Court for the Eastern District of Virginia (report filed in 2014). *Our client: Plaintiff.*
- Expert Report in **Official Committee of Unsecured Creditors, by and on behalf of Min Sik Kang and Man Sun Kang and their bankruptcy estates** v. Yeon K. Han, et al., Case No. 12-01496, U.S. Bankruptcy Court for the Eastern District of Virginia (report filed in 2014). *Our client: Plaintiff.*
- Declaration **In re: Atari, Inc., et. al.**, Case No. 13-10176, U.S. Bankruptcy Court Southern District of New York (declaration filed 2013). *Our Client: Debtor.*
- Declaration and expert report **In re: Glebe, Inc.**, Case No. 10-71553, U.S. Bankruptcy Court Western District of Virginia (declaration and expert report filed in 2012). *Our Client: Debtor.*
- Expert Report in Charles W. Reis, Chapter 7 Trustee v. **Breakwater Marine, L.L.P.**, Case No. 11-04702, U.S. Bankruptcy Court for the District of Minnesota (report filed in 2012). *Our client: Defendant.*
- Expert Report in Charles W. Reis, Chapter 7 Trustee v. **Daniel Lindsay**, Case No. 11-04671, U.S. Bankruptcy Court for the District of Minnesota (report filed in 2012). *Our client: Defendant.*
- Expert Report in Charles W. Reis, Chapter 7 Trustee v. **Irwin L. Jacobs**, Case No. 11-04672, U.S. Bankruptcy Court for the District of Minnesota (report filed in 2012). *Our client: Defendant.*
- Expert Report in Charles W. Reis, Chapter 7 Trustee v. **Jacobs Management Corporation**, Case No. 11-04676, U.S. Bankruptcy Court for the District of Minnesota (report filed in 2012). *Our client: Defendant.*
- Expert Report in Charles W. Reis, Chapter 7 Trustee v. **Operation Bass, Inc.**, Case Nos. 11-04715, 11-04673, 11-04722, 11-24695, 11-04716, U.S. Bankruptcy Court for the District of Minnesota (report filed in 2012). *Our client: Defendant.*
- Expert Report in Charles W. Reis, Chapter 7 Trustee v. **VEC Technology, LLC**, Case Nos. 11-03390, 11-03391, 11-04723, 11-04720, U.S. Bankruptcy Court for the District of Minnesota (report filed in 2012). *Our client: Defendant.*
- Expert Report in **Virginia Power Energy Marketing, Inc.** v. EQT Energy, LLC, Case No. 3:11-cv-630-REP, U.S. District Court for the Eastern District of Virginia (report filed in 2012). *Our client: Plaintiff.*

GUY A. DAVIS, CPA, CIRA, CDBV, CFE
TESTIMONY, AFFIDAVITS AND EXPERT REPORTS
2005 – PRESENT
(our client **bold/underlined**)
Continued

- Expert Report in Official Committee of Unsecured Creditors, on behalf of the bankruptcy estates of **Jevic Holding Corp.**, et al., v. The CIT Group/Business Credit, Inc., Case No. 08-51903, U.S. Bankruptcy Court for the District of Delaware (report filed in 2012). *Our client: Plaintiff.*
- Declarations **In re: Howrey LLP**, Case No. 11-31376, U.S. Bankruptcy Court Northern District of California (declarations filed 2011). *Our Client: Debtor.*
- Deposition Testimony and Expert Report in **Akshay K. Dave** v. Pikeville Energy Group, Gary Richard and Banner Industries, Inc., Case No. CL10-3530, Circuit Court of the City of Richmond, Virginia (deposition testimony and report filed in 2011). *Our client: Plaintiff.*
- Expert Report in **Storehouse, Inc., Debtor**, Case No. 06-11144, U.S. Bankruptcy Court for the Eastern District of Virginia (report filed in 2011).
- Expert Report in **Penny Plate, Inc., Penny Plate Canada, Inc.**, Case No. 092684, Circuit Court of the County of Henrico (report filed in 2011). *Our client: Defendants.*
- Affidavit and Expert Report in Adelphia Communications Corp., et al. v. **Prestige Communications of NC, Inc., Jonathan J. Oscher, Lorraine Oscher McClain, Robert F. Buckfelder, et al.**, Case No. 04-03293, U.S. District Court Southern District of New York (affidavit and report filed in 2010). *Our client: Defendants.*
- Trial and Deposition Testimony and Expert Report in John W ("Jack") Teitz, as Trustee of Estate of Buffalo Coal Company, Inc. v. **The Virginia Electric and Power Company, Inc.**, Case Nos. 08-00038 and 08-00041, U.S. Bankruptcy Court for the Northern District of West Virginia (trial and deposition testimony given and report filed in 2009). *Our client: Defendant.*
- Trial and Deposition Testimony and Expert Report in H. Lynden Graham, as Trustee of the Estate of United Energy Coal, Inc. v. **The Virginia Electric and Power Company, Inc.**, Case No. 08-AP-0045, U.S. Bankruptcy Court for the Northern District of West Virginia (trial and deposition testimony given and report filed in 2009). *Our client: Defendant.*
- Appraisal of 100% Membership Interest in **CSX IP, LLC** (report filed in 2009).
- Expert Report in First NLC, Inc. v. **NLC Holding Corp., FNLC Financial Services, Inc., Blue Boy Limited Partnership, NSH Ventures II, L.P., and Friedman Billing Ramsey Group, Inc.**, Case No. 08-10632-BKC, U.S. Bankruptcy Court for the Southern District of Florida, West Palm Beach Division (report filed in 2008). *Our client: Defendants.*

GUY A. DAVIS, CPA, CIRA, CDBV, CFE
TESTIMONY, AFFIDAVITS AND EXPERT REPORTS
2005 – PRESENT
(our client **bold/underlined**)
Continued

- Expert Report in **Amp'd Mobile, Inc.** v. Merrill Lynch, Pierce, Fenner & Smith, Inc., Case No. 08-50272, U.S. Bankruptcy Court for the District of Delaware, (report filed in 2008). *Our client: Plaintiff.*
- Expert Report in Corinthian Mortgage Corporation d/b/a SouthBanc Mortgage, v. **Choicepoint Precision Marketing, LLC**, Case No. 1:07cv832 JCC/TRJ, U.S. District Court for the Eastern District of Virginia, Alexandria Division (report filed in 2008). *Our client: Defendants.*
- Expert Report in Leila Meyerson, et al. vs. **Allen McGee, Michael Wallace, Lloyd Goldman, Wilfred Posluns, Radiology Corporation of America, Inc.**, Case No. 07-80339-CIV-Middlebrook/Johnson, U.S. District Court for the Southern District of Florida (report filed in 2008). *Our client: Defendant.*
- Expert Report in Hancock Fabrics, Inc. v. **S.C. Diamond Associates, L.P.**, et al., Case No. 07-10353, U.S. Bankruptcy Court for the District of Delaware (report filed in 2008). *Our client: Defendants.*
- Expert Report in Corinthian Mortgage Corporation d/b/a Southbanc Mortgage v. Summit Financial, LLC, (**Chubb & Son, Inc.**) et al., Case No. 187513, Circuit Court of Fairfax County (report filed in 2007). *Our client: Defendants.*
- Expert Report **In re: The Rowe Companies, et. al.**, Case No. 06-11142, U.S. Bankruptcy Court for the Eastern District of Virginia (expert report filed in 2007). *Our client: Debtor.*
- Trial Testimony and Expert Report in Jonathan F. Johnson v. **SuperValu, Inc. and Richfood, Inc.**, Case No. L5785-4, Circuit Court of the City of Richmond in the State of Virginia (jury trial testimony given and report filed in 2007). *Our client: Defendants.*
- Expert Report in **Erie Power Technologies, Inc.** v. Aalborg Industries A/S et al., Case No. 04-282E (SJM), U.S. District Court for the Western District of Pennsylvania (report filed in 2006). *Our client: Plaintiff.*
- Deposition Testimony and Expert Report in **William Kaye, as Trustee of The Murray Liquidation Trust** vs. Various Defendants, Case No. 04-13611, U.S. Bankruptcy Court Middle District of Tennessee, Nashville Division (deposition testimony and expert report filed in 2006). *Our client: Plaintiff.*
- Deposition Testimony and Expert Report of **William Kaye, as Liquidating Trustee of The Gadzooks Creditors' Trust** v. Fashion Avenue Knits, Inc. and Rosenthal & Rosenthal, Inc. et al., U.S. Bankruptcy Court Northern District of Texas, Dallas Division (deposition and expert report filed in 2006). *Our client: Plaintiff.*

GUY A. DAVIS, CPA, CIRA, CDBV, CFE
TESTIMONY, AFFIDAVITS AND EXPERT REPORTS
2005 – PRESENT
(*our client **bold/underlined***)
Continued

- Affidavit in Marla Reynolds, Liquidating Trustee of the **Git-n-Go** Creditors' Trust v. Ron Ford, et al., Case No. CJ-2006-00648, District Court in and for Tulsa County State of Oklahoma (affidavit filed in 2006). *Our client: Plaintiff.*
- Expert Report in The Official Committee of Unsecured Creditors of Pillowtex Corporation vs. **Xymid LLC**, Case No. 05-30238, U.S. Bankruptcy Court District of Delaware (report filed in 2006). *Our client: Defendant.*
- Expert Report in DVI, Inc., et al. v. **ADAC Laboratories and Philips Medical Systems and Royal Philips Electronics**, Case No. 05-52301 (JKC), U.S. Bankruptcy Court District of Delaware (report filed in 2006). *Our client: Defendant.*
- Expert Report in DVI, Inc., et al. v. **Hitachi Medical Systems America, Inc.**, Case No. 05-52301 (MFW), U.S. Bankruptcy Court District of Delaware (report filed in 2006). *Our client: Defendant.*
- Expert Report in **Orion Enterprises of Virginia, Inc.** v. Carolyn Dozier, Ronald Dozier, and The Party of Five Limited Partnership, Case No. 06-70302-SCS, U.S. Bankruptcy Court for the Eastern District of Virginia (report filed in 2006). *Our client: Plaintiff.*
- Expert Report in **Thor Norfolk Hotel, LLC** v. Jonathan Nehmer & Associates, Inc., Case No. 13 110 Y 00726 05, American Arbitration Association New York City (report filed in 2005). *Our client: Claimant.*
- Deposition Testimony and Expert Report of **Herbert C. Broadfoot, II, in his capacity as Ch. 7 Trustee for Nationwide Warehouse & Storage, LLC, et al.** v. Howard I. Belford, U.S. Bankruptcy Court for the Northern District of Georgia, Atlanta Division (deposition testimony and expert report filed in 2005). *Our client: Plaintiff.*
- Trial and Deposition Testimony and Expert Report in Official Committee of Unsecured Creditors of Heilig-Meyers Company, et al., v. **Wachovia Bank, NA, et al.** Case No. 00-34533, U.S. Bankruptcy Court for the Eastern District of Virginia (report filed in 2005). *Our client: Defendant.*